

.



NEWS SUMMARY GENERAL BUSINESS £1m cash Amin's plea to oil supplies unions for halted Kirkby

International oil companies were reported to have halted supplies to President Idi Amin's supplies to President Idi Amin's collapsing regime in Uganda as-nearly alf the Libyan troops supporting him left the country. About 1,000 Libyan soldiers were said to have been flown out from airports north of Kampala. The only troops still inyal to Amin are Nubians and Southern Sudaness. Heavy fighting continued around the besieged capital but Tauzanian backed rehels are apparently keeping to their plan to stay out of the city until the Back Page pro-Amin forces have left. -Page 2

-1.5

Bay

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1 . A 12

#### **Bomb** suspects released

#### Four of the five men held in Dublin after a police raid have been released, reducing bopes

of an early breakthrough in the hunt for Airey Neave'a killers. Originally, six men were arrested after detectives found

bomb-making material in a Dublin flat Sanctions urged

Ecyptian Prime Minister Mus-

States to use their oil weapon against the West to win the return of occupied Palestinian lands from Tisrael, Cairo newspapers reported.

#### Italy arrests

Italian police arrested 25 CONSUMER SPENDING extreme Left wingers in Padua, sarge in 1978 promoted a coc-Milan, Turin, Rovigo and Rome. siderable-rise in demand for The arrests are believed to be connected with the kidnapping and murder of former. Premier Aldo Moro.

# Edict on priests

Pope, John Paul opened Holy Week at Palu Similar Mass in a packed St Peter's Square. He

• LIQUIDATOR of Kirkby Manufacturing and Engineering has asked the Transport and General Workers' Union and the Amalgamated Union of Engin-eering. Workers to consider putting up about fim to save the co-operative from perman-ent closure. Eack Page

· EMPLOYEES at Aveling Barford, the construction equip-ment subsidiary which BL is trying to sell, have been told of moves to reduce overheads further-including staff cutsbecause of continuing losses.

NATIONAL ENTERPRISE Board is considering further cash aid for Alfred Herbert to expand its output of electronic sections for numerically coo-trolled machine tools. Back Page ...

• BRITISH RAIL has produced a range of modified designs for its 150 mph Advanced Passenger Train as part of its effort to win Government sanction for bulk production. Page 4 Auditors face

# shares curb

tapha Khalii-has urged Arab . AUDITOR'S beneficial sharehuldings in public company clients will be banned under new guldelines to be issued by the accountancy bodies. Hold-ing major blocks of trustee shares could also be baaned. Back Page

shop property, and evidence shows that this demand is curry tinulug according to Frey

BRITAIN is seeking to soll 1.300 Chieftain tanks originalty destined for Iran to any country willing to take on the cancelled £6.25bn order. India is con-

U.S. lorry strike

· ELECTRICAL power engin-

eers will be urged by union

leaders to support industrial

# Tories Callaghan prepares ready to all-out attack consult TUC on Tory leadership By Christian Tyler, Labour Editor

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15 BELGIUM Fr 25; DENMARK Kr 3.5; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 600; NETHERLANDS FI 2.0; NORWAY Kr 3.5; PORTUGAL Esc 25; SPAIN. Pt 50; RWEDEN Kr 3.25; SWITZERLAND Fr 2.0; EIRE 20R

A vote for Labour is vote against EEC - Benn

#### BY RICHARD EVANS, LOBBY EDITOR

The Prime Minister will today launch Labour's sustained assault on the Conservatives and the leadership of Mrs. Margaret Thatcher aimed at clawing back the formidable lead the Tories have gained at the start of the General Election campaign.

EEC Commission figures con-

firm that under one method of calculation Britain is the

largest contributor to the Common Market hudget.

Labour strategists, although will be a vote against the intensely relieved at the out- Commou Market, as it now come of the party battle over operates-and for moves to the manifesto last week, are self-government within a wider Europe that co-operates together but cannot dominate, perturbed at the scale of the Europe that co-operates task that now faces Mr. together but cannot dominate, Callaghan and believe that all- exploit or injure the people in out attack on the Tory leader- the member states." ship and policies gives the only hope of victory. After launching Labour's daily Press conference in

The party's factic will be to carry the campaigo into the Opposition camp by emphasisiog Tory weaknesses, particularly the potential impact of Conservative policies oo jobs, prices and industrial relations. and to keep the pressure up for the three and a half weeks to polling dar.

Confirmation that Labour leaders also inicnd to make the Earopean Community a priority issue to try to gain votes at the expense of the Tories came last night in a speech by Mr. Anthony Wedgwood Benn, Benn, Energy Secretary,

Mr. Benn did not advocate British withdrawal, but he went as close as he could following the bostile anti-Market section fident they can win a clear in Labour's manifesto, and he majorit; on May 3 provided they blamed the Market for many of maintain some control over the the country's economic ills. course of the campaign and He told a Labour Party meetprevent a panic reaction when ing in London: "A vote for the the substantial opinion poll Labour Party in this election lead is whittled down, as on

Other election news Page 8 . Editorial comment Page 16

past experience, it almost certainly will be. It is already clear the Conservatives will avoid too many

specific policy commitments when their manifesto is launched on Wednesday, him a pledge to cut direct taxes hy substantial amounts seems certain to form the centrepicce of the party's appeal. support for

A reduction in the marginal rates of taxation, particularly at the bigber levels, is regarded as essential towards the begioning of a Parliament if the Tories are to fulfil their promise to give more incentives at all fevels of the izcome scale. But Sir Geoffrey Howe and other Tory leaders will he careful not to be specific. The amount of the curs would depend on an assessment of the economy on taking uffice. radio and one on Londoo Week-Another important election offering from the Conservatives

stressed the importance of will be geoerous incentives for persuasion ralber than legislalocal authority icnants to buy their homes at advantageous prices. The scheme was outlined at the weekend by Mr. Michael Specific Heseltine, the party's spokesman on the environment, and is regarded as a potential vote-The party, he said, would not repeat the mistakes it made in

winner. 1971 when it tried to legislate A. Tory Government, accordacross the board. This time it would only try to tackle specific issues, such as secondary picket-Continued on Back Page

ing, by law, Asked about Mrs. Thalcher's i idea of hulding a referendum should a Conservative government find itself in a head-on collision with the unions, Mr. Prior sald this was an option which would have to be consldered but bls tone of volce suggested that he, personally, was less than enthusiastic about

the General Election.

were drafted.

moderates."

feared after ex-PM's death BY SIMON HENDERSON AND ANDREW WHITLEY IN TEHRAN

Protests at the manner of the earlier hearing, held after mid-night while Mr. Hoveyda was

half-drugged from a sleeping

At that time, apart from cor-

ruption and abuse of power, Mr. Horeyda had also been accused

of crimes against God. Supposed

new regulations for the system

of revolutionary courts pub-lished last Thursday, allowing a right of appeal, are now

The courts, which restarted on

Friday, have now sentenced 64 people to death for political offences. There have been no

acquittals and more death sen-

tences-including against two

The note of retribution in the

executions was in keeping with

Ayatollah Khomeini's televised

remarks last week that he had

no time for lawyers and fair

trials for the last regime's criminals. They should all be

Terry Dodsworth in Paris

adds: Mr. Hoveyda was inter-viewed in his prison cell by a

French television crew a week

ago and indicated at that time that he had no idea what the

accusations against him were. He said in the interview, made on March 29 and screened

at the weekend, that he did not

former senior generals-are

thought to be immineot.

shot.

known to be largely false.

Iran violence

ISLAMIC REVOLUTIONARY set to re-open in public. justice has restarted in Iran, and with it, fears of a new pbase of widespread violence. THE CONSERVATIVES would

The execution by firing squad consult the TUC about the extent of legislative reform on tablet, had led to a three-week balt of all trials and executions. of Mr. Amir Abbas Hoveyda, the former prime minister and main architect of Iran's recent econoindustrial relations if they won mic "miracle" was widely con-demned yesterday by Western Talks would be beld with the governments.

TUC. the CBI, and the police where appropriate, hefore where appropriate, hefore amendments to the Trade Union At least 29 people have died in the last few days-15 of them and Labour Relations-Act and the Employment Protection Act by execution, the others io a series of bombing and sbooting incidents often unexplained but The Conservative manifesto thought to be linked, among tn be published on Wednesday olher things, to demands for will not, therefore, attempt to Kurdish autonomy or for jubs. spell out precise methods by which the party would deliver Doubt is now cast on previous assumptions by observers that itspromised reform on picketing Mr. Medbi Bazargan's admioisand in closed shop, or its dis-incentives to strike action and tration was taking over in importance from the revolutrade union tionary committees of Avatollah Khomeini.

Conservative leaders have been stressing that they do not intend to embark on this elec-Mr. Amir Entezam, a deputy prime minister, said that Mr. tion campaign with the kind of Bazargan approved of execuframework that hecame the 1971 Industrial Relations Act. tions but the Government had no prior kunwledge that Mr. Hoveyda's trial had restarted Mr. James Prior, Shadow Employment Secretary, emplaand the revolutionary courts sised yesterday that the law had were not its responsibility. only a limited role in Tory The affair of Mr. Hoveyda, a Irusted alde of the Shah de-scribed hy Tehran radio as being responsible for 13 of the plans for controlling the unions. in two interviews-one on BBC

end Television - Mr. Prior darkest years of Iran's history, bccame more macabre wben his hody disappeared yesterday from the mortuary.

know what he would dn about the cooduct of his own defence. His death was announced on the cooduct of his own defence. Saturday, the day his trial was The servant of the Shah Page 2

# The growing 'black' economy

#### BY DAVID FREUD

SUPORT FOR claims that the "black" economy or tax reading-economy is graving comes in figurey showing an

denomination currency strong evidence of growth in lax exasioo.

under Pay As Yon Earn.

extremely rankd increase in the circulation of high demonipation bank notes. the Although prices more than

six · empinyees.

tre should include vary enor-According to recent figures self-employed spend much more money at every level of declared income than who are taxe

The latest Family Expendi-

ture Survey, covering 1977,

shows that the self-employed

with declared weekly net

London this morning. Mr. Callaghan will fly to Glasgow in an attempt to hold Labour's crucial domination in Scotland. Later in the week his packed schedule includes speeches in Manchester, Stockport, liford, Oxford and Gloucestershire-all areas where Labour must cling on to its marginal seats. The Conservatives, on the other hand, are increasingly con-

*<b>DL hopes pressure may* 

bring quick end to strike

**Back Page** 

is expected to disclose today widered a likely customer. Page what he intends to do about the 2.

Page 6

COMPANIES

continuing exodus from the priesthood in the Roman TOURISH last year left

Nuclear denial

Catholic church.

Pakistan has denied that its vious year. Page 4 nnclear programme-is almed, at developing atomic weapons, in response to the U.S. decision to AIR EUROPE. Britain's newest airline, is to take deticut all aid to the country. -But -very in the U.S. of the first of it refused to deny the developits \$30m fleet of five Boeing 737 ment of a nranium enrichment capability. Page 2 sbort-haul airliners. Page 6 LABOUR

## Socialists split

The French Socialist / Party emerged from its national con-gress in Metz deeply/ divided after failing to reach a com-promise on several fundamental aspects of its policy programme. Page 2

#### Sabotage claim

About 600 black guerrillas have been trained in Angola to Infiltrate South Africa as part of a renewed campaign of sabotage and subversion, according to Jimmy Kruger, South African Minister of Policy. Page 2

#### Lever re-adopted

Harold Lever, the Prime Minister'a economic adviser, was re-adopted as Labour parliamen-tary candidate for Mauchester action if necessary to restore adequate differentials with manual workers in the electri-city supply industry. Page 6 Central, in spite of a move by local Left-wing activists to oust

#### Briefly ....

**BOADS** throughout South-East England were hit by flooding after a week-end of heavy rafn. its bid for Hudson Bay Company for the second time-offering C\$37 (£15.47) a share for 75 per cent of the Bay's common stock. FREDERICK ALLIS, former Page 31 City editor of the Daily Express. died, aged 64. Obituary, Page 6

• WESTMINSTER PROPERTY FIVE people, including two policemen, were killed in a gun battle which erapted after a Group had pre-tax losses of £26,599 for the year to last September 30, compared with four-car convoy was atopped for profits of £67,000 the previous speeding in Illinois, U.S. year. Page 30

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#### BY ALAN PIKE, LABOUR CORRESPONDENT

BL MANAGEMENT and union Britain's travel account of the nfficials will know this morning balance of navments £857m in whether a determined camsurplus. a £231m dran an the paign to persuade the com-oany's \$.500 skilled workers to record £1.08bn earned the preignore an unofficial strike call

bas hoon successful. Sight the unofficial BL United Cra Organisation issued its call for strike action in support of pay parity and senarate perotiating rights, skilled men bave come under intense pre-sure from both management and unlons to remain at work. The The company has warned binntly that a serious strike would have equally serious renercussions on the future of

peace bid fails • U.S. LORRY STRIKE moved plants and job prospects. Union officials in the Mid-lands claimed last night there into its second week after talks between the Teamsters Union and the employers failed to were signs that enthusiasm for reach a settlement. Back Page long strike was continuing to fade, even in some of the plants • POST OFFICE workers are where skilled men are expected being advised by their union to to stav away todey. They bone that enough skilled workers will accept through a branch ballot

an 8 per cent plus other benefits ignore the strike call to pay offer, which would be worth 12 per cent this year and 13.3 to a quick, demoralised collapse of the action even in those per cent a year after consolidaplants where it does take place. There is little doubt, however, tion of supplements in July. that the strike will he supported at the Cowley body

and assembly plants, the Rover. factory at Solihull, the Castle Bromwicb body works in Birmingham and some smaller factories. These alone are enough to have a serious impact on production of Rover models and the entire Anstin Morris

• THOMSON family has raised

absence

months.

this week.

the company kept working. "I urge all skilled workers to dis-regard this call from an range of the strike is prolonged. Mr. Terry Duffy, president of the Amalgamated Union of Engineering Workers, yesterday work."

unofficial organisation, said he was aware there had been

enormous pressure on groups of skilled men to ignore the strike. "I know of specific groups which despite all this pressure are still coming out. This demonstrates the strength of feeling for our case." The skilled workers are demanding parity on the hasis of a £90 per week basic rate and separate negotiations, Union leaders and BL argue that If

they keep up production an £89 common rate is achievable by November, Mr. Fraser says, however, that his organisation will not call off the strike without "positive" commitments" on separate bargaining rights and bere nothing is on offer.

BL, the AUEW leadership and manual workers' representatives are all opposed to the skilled men having their own neriations outside the centralised structure being developed in the company. But the craftsmen believe they will never achieve adequate differentials in a structure in which they are domi-nuted by less skilled groups. The AUEW executive will meet to consider the position tomorrow. As the strike call is this time being made to all craftsmen, and not only AUEW members, it could decide to seek a meeting with other unions to determine a common approach It will also be presented with the question of whether any unofficial body and stay at action against the unofficial leaders is appropriate under

Mr. Roy Fraser, leader of the union rules.

Mr. Frazer: nothing is on offer

added bis voice to the appeals to the craftsmen to remain at work. "We are fully aware

dieffrentials hut every minute that the skilled workers lose in

production makes it more

difficult for us to achieve this

BL would be exhausted unless

Government tolerance with

objective," be said.

the need for realistic pay

# **Final Times negotiations may** involve conciliation service

#### BY ALAN PIKE, LABOUR CORRESPONDENT

next few days will be crucial chapel, where agreement has in determining whether Times still to be reached on reduced Newspapers publications appear manning levels.

again next week after an absence of four-and-a-half ACAS may become involved in negotiations between Times ewspapers and the National Final plans for relaunching Graphical Association on the The Times, the Sunday Times and the three Times suppleiotroduction of a new computerbased typesetting system. The ments are complete but some company wants journalists and difficult industrial relations issues still have to be resolved. advertising staff, as well as NGA members, to have access to the The Advisory, Conciliation and Arbitration Service will proh-ably become involved in these composing system.

Although progress bas heeo made in the new technology negotitions there is not yet firm Tomorrow the management agreement.

will resume negotiations with Mr. Les Dixon, NGA presi-dent, said yesterday: "We have national and office officials of the National Society of Operamored closer together but not tive Printers, Graphical and close enough. There is still a Media Personnel on one of the lot of work to he done." blggest remaining difficulties. There were many outstanding This concerns NATSOPA's 540-

NEGOTIATIONS during the strong Sunday Times machine issues, said Mr. Dixon, and ever if progress continued he did not know whether it would be possible to finalise agreement on them all in time for the proposed resumption of publication

tomorrow week. It is possible that negotiations on outstanding issues will continue during Easter and right up to the proposed re-publication date. The company believes, however, that the talks will need to reach fairly firm conclusions hy about Thursday if the target for Times appearing again on the Tuesday after Easter is to

be met. Times Newspapers suspended all publication on November 30 after failing to ubtain union agreement on proposed industrial relations changes.

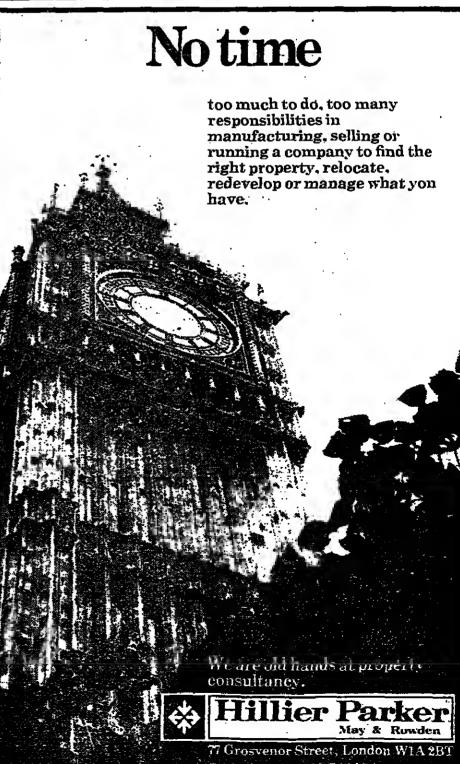
The Torles' manifesto will state the objectives and stress that many of the legislative reforms needed were promised long before the winter of dis ruption reinforced the party conviction that "the union prohlem" was bound to be a ntajor campaign issuc.

But a number of detailed proposals have heen prepared by Mr. Prior and his colleagues. At least two leading QCs have been advising the party on the **Continued on Back Page** 

between 1972 and 1978 and consumer snending at cur-rent prices increased by 140 per cent, the use of big notes rose much faster. The aggreeate value of £10 and £20 notes in circulation

cornings of hetween £80 and £100 spent an average of ,£88-£60. Clerical workers in rose by 470 per cent in the same period, and now ren-resent slightly more iban 40 the same wage hand spent an average £11.537, or 16 per cent less. There is a similar per cent of the value of all notes. Economists in the U.S.

contrast at other income Interoal Revenue Service levels. Details, Page 16 helieve that growth in large



Telephone: 01-029 7666

Born in Teheran on February

son of middle class but not

political science from Brussels

University and went on to get

a doctorate in political 'science

He returned to Iran at the

age of 21 for military service

as an artilleryman, later joining

the Iranian Foreign Office. His

first posting was as an attache in Paris in 1945, then moving

to West Germany as second sec-

retary for four years from 1947.

Mr. Hoveyda also served in Geneva, Ankara and at the

United Nations until bis appoint.

ment to the board of the

National Iranian Oil Company

from the Sorbonne in Paris.

# **OVERSEAS NEWS**

# Agreement on SALT 'closer and closer'

- By David Buchan in Washington

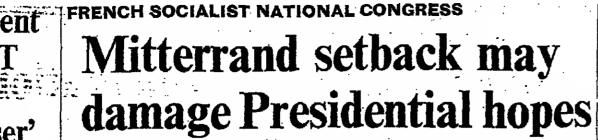
THE US, and the Soviet Union are getting - closer and closer" to final agreement on a nuclear irms agreement; Mr. Aoatoiy bobrynin; the Soviet Ambas-sador 10 the U.S. said after meeting Mr. Cyrus Vance, the Secretary of State, here; on Saturday. With the tempo of the SALT hegotiations reaching a climax the two men are likely to meet activated with to meet again today.

While U.S. and Soviet officials work on the SALT 2 treaty's language in Geneva, the longserving Soviet Ambassador here is the key Russian negotiator now on the remaining points of dispute. These are over definitions of what new types of missiles are allowed under SALT 2, and on U.S. demands that Moscow docs not conceal its missile test data."

Meanwhile, Senator John Glen of Obio warned that the methods of verifying that the Soviet Union is abiding by the treaty provisions must be improved it the SALT 2 agreement is to win 2 two-thirds approval by the Senate. The occasion was the launching at the weekend of the first U.S. Trident alliance's defeat in the general nuclear armed submarinc, the election in March last year. Ohio, from its Connecticut dockyard, in a ceremoney which also attracted several thousand antinuclear demonstrators.

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and .



BY ROBERT MAUTHNER IN PARIS

THE FRENCH Socialist Party which the French Socialist majority, his supporters re-emerged deeply split from its Party should adopt. main the single biggest group M. Mitterrand firmly main-Congress in Metz National tained his stand that the Union yesterday, after failing to reach a compromise on several funda- of the Left was the only possible way us which the Socialist Party mental aspects of its policy could hope to come to power, programme. since it had no intention of Although Μ.

Francois forging an alliance with any of Mitterrand remains First Secretary of the party, he no remains the conscrvative parties. On the other hand, M. Rocard longer has the backing of an argued that the Socialist Party absolute majority of the Congress, the first time this has inust do much more to affirm its own identity. happened since 1971, when he In the economic field, M. Mitwas first elected as party leader.

terrand attaches much more importance to central planning The setback will clearly have an adverse effect on his chances and State control of the economy of being chosen as the party's than M. Rocard, who once again candidate for the Presidential yesterday expressed bis faith in mixed market economy.

The policy resolution tabled by M. Mitterrand and his supporters obtained only 47 per cent of the votes, after strenuous all-oight efforts to reach a compromise with his main rival, the 48-year-old M. Michel Rocard.

elections in 1981.

The two groups were unable to patch up the sharp differences which have arisen between them power station equipment under construction near Toulon in since the Socialist-Communist southern France is more likely to have been the work of foreign agents than ecological groups, according to M. Paul Blanc, the Their main disagreements concern the conditions for the conlocal mayor. tinuation of the Union of the M. Blanc said the main Left and the economic policies

in the party. M. Mitterrand will thus continue to control the National Secretariat, the party's top body, the members of which he has the power to appoint. But his authority will be hotly contested in the executive bureau, in which the different factions are represented propor-tionately to their strength.

The most serious setback which M. Mitterrand suffered yesterday was the defection of his former chief lieutenant M. Pierre Mauroy, the Mayor of Lille and president of the powerful Nord Federation. M. Mauroy, who made a passionatc and warmly applauded appcal for a compromise between the In spite of the fact that M. two main party currents, finally Mitterrand's policy resolution joined M. Rocard in the wilder-did not obtain an absolute ness.

# 'Agents' blamed for bombing

#### BY TERRY DODSWORTH IN PARIS

A BOMB attack on nuclear damage had been done by seven bombs planted on components for a reactor being built in Iraq. Police are also treat-ing ecologists' claims to have "neutralised machines have dangerous to human life " with scepticism. Police are maintaining tight security at the workshops.

**Fresh hint** of Pakistan nuclear capability By Chris Sherwell in Islamabad

PAKISTAN'S military government all but confirmed yesterday that its current nuclear research programme includes the development of a capacity to eprich uranium. Acquisi tion of soeb a capability would give Pakistan the means to produce a uranium nuclear bomb.

The indication came from a spokesman for Pakistan's Poreign Affairs ministry, who was responding lo Friday's announcement by the U.S. that it was cutting off all aid to Pakistan. The decision was hased on suggestions that Pakistan was building a gas contrifuge facility to enroch uranium.

In a prepared statement the spokesman denied that Pakistan's nuclear programme was aimed at developing a nucléar weapon. But be refused to deny the sugges-tion that Pakistan was developing a uranium enrico-ment capability.

The suspicion that Pakistan might be trying for uranium enrichment was further reinforced last October when a well-informed article in a local journal suggested that this ronte was better than reprocessing for producing nuclear exposives

Servant of the Shah AMIR ABBAS HOVEYDA was which is disliked by most of the years. He was regarded as the majority architect of his country's rapid

AMIR ABBAS HOVEYDA

industrial expansion. In August, 1977, the Shah dismissed Mr. Hoveyda following criticism in Parliament of widespread shortages and inflation as a result of development outstripping available manpower and resources

He was detaided 15 months later by the military government of General Gholam Reza Azhari, appointed by the Shah. But for those who toppied the

monarchy in last February's revolution, Mr. Hoveyda, 60, was simply a symbol of the regime which had so long oppressed thcm.

In the present revolutionary mood, dominated by Islamic fondamentalism, it was not just his political record which was held against Mr. Hoveyda. With

an oddlyassorted taste for Ian Fleming's hero James Bond, Bach and Oscar Wilde, a European education and a widely-travelled past as a diplomat, the was quintessentially western—a term now synonymous with evil for most of Iran's religious leaders. He was a member of the Freemasons, a group distrusted by the Shah and regarded with

by the Shah and regarded with the deepest snapicion by most of the population. What weighed against him even more heavily, however, was the fact that his diplomat father was also a preacher of the Baha'I faith. founded in Iran last century.

Iran's Prime Minister for 13 country's Shi'ite Moslem 18, 1919, Mr. Hoveyda was the

Mr. Hoveyda himself always wealthy parents. He was one denied being a follower of the of the few leaders of Iran not faith, but in the popular connected with the aristocracy imagination he always remained He left Iran at an early age to Identified with the Baha'l be educated in Europe. He minority-estimated at around gained a master's degree in 400,000 - which wielded immense influence under the monarchy.

A techoocrat rather than a politician, Mr. Hoveyda came to power after Hassan-Ali Mansour. the refirmist premier, was murdered by a young Moslem theological student in January 1965. Two hours after Mr. Mansour died. Mr. Hoveyda, then Finance Minister, was sworn in as what was then seen as a stopgap premier.

It marked a new era in the Shah's exercise of power. From then on, the Prime Minister of Iran would be a mere executor of the Shah's decisions.

**Cancelled Iran order for** tanks may go to India

India

BY SIMON HENDERSON IN TEHRAN

to take up the whole of the BRITAIN IS HOPING to sell Iranian order. 1,300 Chieftain tanks priginally destined for Iran to any country willing to take on the cancelled The Chieftains which had been destined for Iran-known as the Shir Iran-were effectively an \$1.3bn (£650m) order, and a interim model between the British army equipment and the next generation of NATO battle prima customer looks like being Delivery of the special tank

in 1958.

Reuter

Chieftain tanks, an updated model of the type already in service with the British and armour and a new, more powerful, Rolls-Royce engine, the Shir Iran, perhaps at a dis-Iranian armies was due to begin this spring. Only a few have been completed but a new customer is required to make use of the aiready substantial investment in production equipment at the Royal Ordnance Factory in Leeds,

The Iranian order was to keep production going at that factory, which employs 3,000 people, until 1985, Much of the invest-ment has been Iranian and Britain is to try to work out with the new regime in Tebran an equitable ending of the contract

India is considered a likely customer because its present .700-strong tank force is made up of out-dated models including Centurions, Russian T-54s counted price, would be a very attractive proposition tn a large developing country with a modern but not over sophisticated army. The Shir Iran order was cancelled in the last days of the Bakhtiar Government in Bakhtiar Government in February before the revolution. The new Government has indicated future-arms purchases

With the latest Chobham

will be minimal. Iran already has 760 of the original Chieftan tanks and the

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nee by 188 3

best that Britain is expected to be able to retrieve of its former \$4bn worth of arms order with Iran is to continue to supply spares for these tanks and T-55s and locally made and perhaps to rev Vijayanias. It would also be able its training teams. and perhaps to revive some of

# South Africa warns of new terror campaign

BY QUENTIN PEEL IN JOHANNESBURG - 13 Y

SOME 600 black guerrillas have Western countries who sent been trained in Angola to appeals would be called in to infiltrate South Africa as part be told of the Government's of a renewed tampaign of "disfavour." at their attitudes sabotage and subversion, Mr. Their attitude was "totally important the South irrecognitable with their own"



Bank of Boston House, 5 Cheopside, E.C.2.

We've spent 57 years in the City, building an organisation to cater for the toughest judge of all: the financial professional.

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Why we have unusually good representation in 40 countries. Why our two hundred people in London aim at the highest standards (if you give the best service, you have the best bank).

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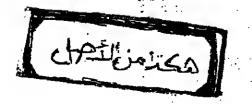
We are one of the top ten US international banks, and a major force in correspondent banking.

And six out of the top ten companies in the prestigious "The Times One Thousand" are our customers.

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AF GENTINA, AUSTRALIA-BAHAMAS, ECUIDA-BHATTU CHANA CIANCUNCON FERURICO, FRANCIO GENANI I, GUATEMAIA, HATT, HONORONO IRA GLADAN, CONSTRECTIONS MERCIO, PAINA AND AND ATOMS STAIN, LEGIELLA, UKUGUAN, VENELLEIA

Kruger, the Sonth irreconcilable with their own Jimmy Minister of Police, African warned at the weekend. In the wake of the inter-

national outery over the hanging of Solomon Mahlangu, convicted under the South African Terrorism Act, last week, Mr. Kruger said that urban terrorlsm had " reared its ugly head all over the Republic." Already. 38 blacks who had received military training outside the country had been arrested on their return. Mr. Kruger's renewed warning of a terror campaign underlined the Government's hardline response to the world-wide campaign for clemency toward Mahlangu, who was hanged on Friday. Let alone ignoring the appeals, the Pretoria regime now appears to have decided to

actions against terrorists," he said. "This is true especially in the case of the British, West German and Dutch govern-ments. The selective indigna-tion directed against South Africa is therefore shocking.

and repugnant" bis intervention. Mr. In Kruger said the latest campaign against South organised by Africa African National Congress and the South African Communist Party. They had planned a Party. three phase programme concentrating on the alienation of the black population, the economic and diplomatic isolation of South Africa, and the infiltration of sophisticated terrorist groups, he told a conference in Pretoria

retaliate. Mr. Pik Botha, the Foreign Minister, announced yesterday that the ambassadors of those trate trade unions to organise. disruption, he claimed.

# Shelling in Kampala

.NAIROBI — Heavy fighting ioward Entebbe io meet swirled round Uganda's beseiged colleague. capital of Kampala during the They were identified weekend between Tanzanian-backed rehcls and forces loyal to President Idi Amin, Reuter

reports. One diplomat said following a bout of shelling in subnrban areas after dark on Saturday that the city had experienced "Its first real night of war" since rebel furees entered the country.

But the invaders seemed to be meeting tougher resistance than expected in their push to take the capital.

President Amin has not been seen since he appeared in the eastern industrial town Jinja on Saturday evening.

But Uganda Radio broadcast. an order from the Kampala District Commissioner ordering people to turn up for work normally on Monday mnrning. Kampata residents said staff houses at the Makerere Univer-sity complex were bombarded with mortar bombs sending Ugandan troops who had been billeted there fleeing for their lives. Several buildings were badly damaged, they said Although Ugandan exiles.

buildings was the first confirmed. report of action on the northwest side of Rampala. And the Associated Press reports that Westerners arriving in Nairobi from Kampais said two European busi- Governm nessmen, a Briton and a Dane, offered-had been missing since last Governm Tuesday, when they drove off Nkome.

They were identified Gordan Parrott, head of Atlas Tower Construction Company. and Sven Sorensen, a partner in Bitumastic 'Ltd. " the first

The two were Westerners reported missing in the Uganda-Tanzania conflict. About 800 foreigners fled from Kampala last week, leaving behind an estimated 100-200 diplomats and businessmen Mark Webster writes fre

Dal-Es-Salaam: International oil companies are reported to have halied supplies to the collapsing regime of Pres-dent Amin of Uganda as usarly all nf the Libyan troops sup-porting him left the country. About 1,000 Libyan soldiers said to have been flown out from

the airports of Nakasongota and Soroti. to the north of Kampala. The only irpops still loyal to Amin are asid to be Nubland and Southern Sudanese.

Meanwhile, in DarEs-Salaim the Alrican frontilna presidents have not the joint leaders of the Patriotic Front guerrille movement, Mr. Joshua Nkomo and Mr. Robert Mugabe.

Delegates at the conference said privately there were feirs that a Conservative Government have spoken of stacks on the in Great Britain would recognize northern outskirts of the city Zimbabwe-Rhodesia after the the attack on the university forthcoming elections had taken place. The frontline group was

reportedly anxious to ensure the unity of the Patriotic Prost once the elections had taken place. Members of the Transitional Government in Rhodesia have offered a piace in the new Government to Mr. Joshu

1978-1979

# Singapore airlines places £69m Airbus order

SINGAPORE AIRLINES (SIA) circles in view of the antici-bas placed an order for six pated detrimental effects of A300-B4 aircraft with Airbus Australia's new international Industrie, costing more than Civil Aviation policy (ICAP) S\$ 310m (figm) including spare on SIA's traffic growth and the parts and related equipment, fact that SIA has already Feter Lee writes from Singa- several other new aircraft on pore.

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order. The order reverses an earlier In May last year, SIA an-decision made in 1976 when nonneed the order of 10 Boeing The order reverses an earlier SIA opted to buy the smaller capacity Boeing 727 instead of the Airbus. Explaining the reasons for the change, SIA said their environment had altered since the Airbus was first produced. "Both Airbus first produced. Down Annual Se LACE AIR. Lines Industrie and the aircraft," an airline spokesman said, "has SEOUL-KOREAN AIR. Lines now huilt up an impressive has confirmed that it will sign Washington this

record particularly in Europe a contract and Asia. New system and week to technological advancements jettiners. bave been incorporated into the aircraft.

BY OUR FOREIGN STAFF

ment of Trade reports.

There was

in 1978.

in invisibles in 1978, the Depart-

also

rcraft. "Moreover most of Singa- Mr. Cho Choong-Hoon, who is pre's neighbours already have participating in a South Korean pore's neighbours already have the Airbus or will soon be taking delivery of it; thus scheduled to sign the contract, making it easier for SIA to reportedly valued at \$570m. introduce the aircraft to its' tomorrow. A KAL spokesman fleets and operate it in its

SIA disclosed that the first two AS00-BA aircraft should be delivered in April 1981 and subsequent ones in 1982 and 1983. It has also been given an option to buy two more of the several other new aircraft OB aircraft for delivery in February 1984.

The SIA Airbuses will seat 246 passengers compared with 136 on its Beoing 72 aod will 747 aircraft costing more than be deployed on its service to \$900m. The airline also has Bangkok, Jakarta, Hong Kong, Manila, Madras and Colombo. fonr Boeing 727s still to be deli-

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# S. Koreans buy Boeings

opened Seoul-New York route. The spokesman decliced to elaborate oo the impending contract. But last November a contract in Washington this week to buy ten Boeing 747 KAL said that its plan called

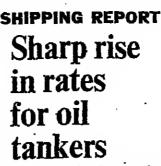
RAL, the South Korean flag for delivery of three units in carrier, said that its president, 1980, five in 1981 and two in 1982 with the remaining eight

to be hought on options. Also on the South Korean buying mission to the U.S., is mission's shopping list are petrochemical products, scrap iron and copper, nuclear equipment, soyabean oil, lumber, parts for heavy construction equipment, said that the order will cover and road building machines.

The purchase of the Airbus purchase 18 Boeing 747 jet. and roa has surprised other airline liners primarily for its just AP-DJ

**UK** invisible surplus drops

vered.



WORLD TRADE NEWS

# By Our Shipping Correspondent

A WEEK ago brokers were talking of "unpredictable" oil tanker markets. Certainly the sharpness of improvement in rates last week was surprising. There was a high volume of basiness and very large crude carriers loading in the Gulf received worldscale 40 for western voyages and WS 45 for

Japanese discharge. This is a full 7 poiots better than a week earlier, but still not up to the WS 50 achleved in the excited period before last month's OPEC proce-fixing meeting. Faced with a market pattern

contrary to the usual laws of supply and demand (there were still over 22m DWT of tanker tonnage laid up at the end of March) brokers are relying oo the usual theory that oil companies have been caught restricted hy very specific delivery schedules, in order to explain their willingness to pay more for the right ship at exactly the right time.

General supply and demand laws were prevailing last night In tanker markets outside the Gulf, and rates fell steadily in the Mediterracean and the Caribbean.

There is still a healthy level of period charter inquiry, and last week BP took two vessels. ERITAIN RECORDED a balance a levelling off in the number of reflecting less oil imports into For one, a 156,000 DWT motor tanker, the company paid \$2.00 per ton for a two-year charter. This is equivalent to WS 49.5 on today's bunker prices.

In dry cargo markets, owners are continuing to enjoy firm rates in most areas, also heing underpinned by steady period inquiry. largely because UK oil com-

Rates are between 50 per cent panies experienced stock losses and 100 per cent better than a as the sterling price of oil fell.

At the same time, earnings of foreign oil companies from slackening in second-hand ship their direct investments in the trading. A four-year-old 139,000 UK rose in 1978, but at a rate dwt oil tanker was sold last lower than expected because of week for \$16m, which is a 50 the failure to reach planned per cent improvement on the production levels in the North figure being quoted for the same

Eggar Forrester is predicting a shortage of drilling rigs, with a consequent transfer of some accommodation units back to their former drilling functions.

supply vessels over 5,500 bbp sluggishness of industrial pro- available against only five rigs, duction in the UK and other these boats could be in oversupply this summer.

# Time for a modest celebration BY DAVID WHITE IN PARIS

from the depression imposed hecome acutely aware of how of champagne have risen an on them five years ago by the vulnerable it is to the world's average 11 per cent a year. crisis of that less noble liquid, economic moods. oil:

FRENCH WINES AND SPIRITS

Current prospects for wine count oo a wide range of and spirit exporters are for a slower rate of growth from now on-but they can hardly comof plain about the 62 per cent rise countries. io foreign exchange earnings that has taken place over the

last two years. Exports in 1978 touched

FFr 10bn (£1.1hn), compared with FFr 7.6bn in 1977 and FFr 6.2bn io 1976. After accounting for France's intake of other people's tipples, especially British whisky and Italian wine, the wines and to product. spirits surplus has increased by two-thirds to FFr 8bn. Although this record is of

passing importance in France's overall export figures, where wines and spirits make up only 3 per cent, it is crucial to the farm sector, the remainder of which struggled last year with a foreign trade deficit of some FFr 7bn Also to the producers, who have bad to face up to the fact that the French, while still

drinking a lot, are drinking less and less. The Trade Body — the soberly-named Export Trade syndicate for the Wines, Ciders, Spirits and Liqueurs of France is not as happy about the performance as might be expected.

hut the Italians buy their buhbly enthusiasm," warned M. Gerald more cheaply. de Geoffre, the group's presi-dent. "These results were achieved in an environment of down into four main categories. each accounting for about a supply problems-particularly ouarter of the total:

• Champagne: This "hit of France's presence abroad," to acute for 'appellation controlee' wines-fierce competition and financial charges which allow quote the export syndicate, had only the most vigorous coma bad time of it during the oil panles to pursue their developcrisis. Export revenues, bowment, while many see their margins and their self-financing ever, have heen rising steadily since reaching rock-bottom in possibilities reduced to zero." 1975, and last year were more Other clouds hang over the than double that level at FFr future, the biggest being rising 1.29bn. In volume, exports

FRANCE'S PURVEYORS of protectionism and "the accumu- were back on the upward curve alcoholic beverages to the world lation of fiscal barriers in EEC of pre-1973 days. Over the last have completed their recovery countries." The trade bas also 30 years France's consignments

> On the other hand, it can eouraged foreign buyers, and according to M. Hubert Calvet, markets—" a guarantee of a leading Bordeans wine stability "—and on " new layers merchant, they were the main consumers" in many reason for last year's drop in export volume. But earnings Three countries - Britain, reached a record FFr 1.36bn; and more of the total 164.1m West Germany and the U.S .-

وكما من لتجهل

bottles of exports was actually dominate France'a wine and exported in bottles rather than spirit export table. all with purin the cask. Burgundy: Exports have doubled in 14 years to 109m chases in the range of FFr 1.4bn to FFr 1.5bn, But the placing of clients varies greatly from

bottles last year-55 per cent year to year and from product of the total Burgundy and Beaujolais output. Earnings were the The West Germans and Belhighest ever at FFr 1.28m, only gians, for instance, are the big-gest imblbers of cheap French slightly lower than Bordeaux. • The rest: Other appellation wine: the British are the bigcontrolee wines, headed hy gest sippers of cognac; the

Clouds still hang over the future, the biggest being rising protectionism and fiscal barriers in EEC countries. The trade is also acutely aware of how vulnerable it is to the world's economic moods. But it can count ou a wide range of markets and on new layers

of consumers

Belglans vie with them as top Cotes du Rhone, have hit the claret drinkers. But in Bur- big-time export market relatively gundy both are displaced as recently, which explains the sharp growth figures-a threefold volume increase and more than an eight-fold earnings increase in the past 10 years. The volume of exports last year stagnated at 152m hottles, hat their value was some 28 per French wine exports break cent up at FFr 865m. In other categories, the cheaper kinds of wines were hit by competition, especially from Italy.: Exports were 23 per cent lower in terms of bottles hut 12 per cent up

In terms of francs. Dessert wines and Vermouths, not a French forte, had a 5 per cent growth in foreign business. and exporters complain they could do more with these products were they less beavily taxed in France.

Among the spirits, Cognac consolidated its unassailable thanks to over position, FFr 200m spent on advertising last year and a record crop. Exports totalled FFr 2.35bn Cognac can claim to be France's most exported product 80 per cent of the total goes ahroad, Liqueurs appear sale trout climatic or economic accidents, with a steady increase in exports to FFr 445m-worth last year. But they are not safe from import hanriers - bans, levies, quotas and restrictive rules, which can only be got round by shifting production facilities abroad.

The GATT multilateral trada talks have produced one important hreach in the discriminatory wall - a provisional pledge the U.S. to end the "wine hy gallon assessment" which penalised imported spirits. But overall the protectionist picture is still a sombre one.

"The limit of what can be tolerated has been passed in many countries, where the customs and tax situation is equivalent to prohibition . . . . M. de Geoffre warned.

The security of France's big domestic and European markets is, meanwhile, in some danger with the prospect of Spanish EEC entry. But while EEC enlargement is a looming issue among growers of ordinary wine in the south of France, trade spokesmen adopt a free-market, let the best man win " stance.

The question of Spanish prices will require some careful negotiation, but the trade is unwilling to advocate protectionism at the home while attacking it abroad. France is already the biggest market for Port and one of the biggest for Scotch. It may be one of the biggest for Spanish wine. But the major wine businesses are hoping to turn this to their advantage, and to use the inflow of cheaper wines as leverage to improve local quality and to pash the bottom range of French wines further up-market.

# Soviet tyre plant deal

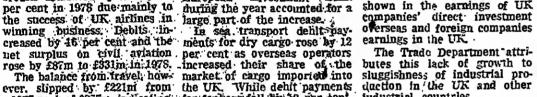
TOKYO MITSUBISHI Meanwhile Creusot-Loire and INDUSTRIES and Mannesmann - Demag Meer HEAVY Maekawa Trading bave jointly won a Y15bn (£34m) tyre have signed a contract to supply the Soviet Union with a factory manufacturing plant contract to produce extruded steel from the Soviet Machinery tubes

facture giant rubber tyres for coostruction vehicles, will be built at Bobruysk in Belorussia The plant is expected to be and for technical cooperation. one of the largest in the world. Agencies

Import Corp. 

Philip Morris and Soviet
The plant, designed to manutrade officials have signed agree- Philip Morris and Soviet ments providing for the continuation of the manufacture of Marlboro cigarettes in the USSR | U.S.

World Economic Indicators **RETAIL PRICES** % Change OVe March '79 Feb. '79 jan. '79 March '78 149.2 148.2 147.1 144.5 Feb. '79 jan. '79 Dec. '78 Feb. '78 144.3 142.2 139.5 127.2 123.0 123.4 123.3 120.1 211.1 209.7 207.8 191.7 131.3 130.9 130.1 126.4 207.1 '204.7' 202.9' 188.4 209.9' 207.7 204.7 190.4 base year 33 W. Germany 1970 - 100 Italy 13.4 1976== 100 Japan 2.0 1975 - 100 10,1 3,9 9,9 France 1970 == 100 Belgium 1975== 100 1967 = 100 204.2 122.5 190.6 118.0 UK 208.9 207.2 9.6 4.1 1974=100 Holland 122.9 122,2 1975=10



of payments surplus of £1.4bn. visits hy overseas residents, the UK, receipts from tanker sblpping fell by 15 per cent, as reduced activity by UK opera-Debits in travel rose hy nearly a third, reflecting an increase in But while gross earnings for both the number of visits made invisibles rose by 9 per cent abroad by UK residents during tors reduced earnings from cross voyages. over the previous year to the year increase daverage ex-117.7bn, this was more than off- penditure per visit. Earnings from the overseas operations of UK oil companies showed a slight decline in 1978,

set by a 15 per cent rise in gross A balanced flow of earnings payments, overseas to . £16.2bn, from financial services pushed contributions £455m to the during the year. The key EEC. This reduced the 1978 exception was in commodity. stiplus by £610m from the trading, which declined in previous year's level. mainly because of higher net earnings £56m higher to £1.4bn

Some There was also some There was a surge of fifoun deterioration in net earnings in the surplus on interest, There was a surge of £160m from sea transport and travel. profits and dividends which The 1977 surplus of £21m in bronght the 1978 figure to the sea transport account was, £552m. Interest payments on the higher level of overseas turned into a deficit of £292m holdings of gilts and on the In the civil aviation sector, large net borrowing from the

credits increased by nearly 20 European Investment Bank per cent in 1978 due mainly to during the year accounted for a

ever, slipped by £221ni from the UK. While dehit payments duction in the UK a 1977 peak of £857m, indicating for tankers fell by 10 per cent, industrial countries.

year ago, Nor is there any sign

ship last year. In the North Sea, the hroker The net surplus for the private and public corporations, excluding oil, fell by £73m to £1hn in 1978 with little change

Unfortunately for shipowners operating supply boats, the broker helieves that with 14

clients hy Switzerland and the U.S. Ireland bought as much burgundy last year as Japan. Britain and Italy tie for top place in the champagne stakes, We must moderate our

# **Announcing the launch of the Firestone S-211. Designed to answer the demands** of today's motorist.

- Today's motoring demands more of a tyre than ever before. That's why the new Firestone S-211 was built to answer all the questions you can ask of it.
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- Instead it has eleven.
- Whatever you ask of a tyre, here is the answer.
- Straighter Sidewalls give quicker response and better lateral stability.
- High Modulus Tread Compound gives excellent wet and dry traction.
- Wide Arc gives low wear rate.
   Double Tread Radius gives high speed durability. Stress-free Cord Path gives long term body durability. Decoupled Sidewall gives outstanding ride and comfort. Balanced Groove to Rib Ratio gives outstanding resistance to aquaplaning.
- Unique Tread Element Sequencing gives low noise emission.
   Advanced Steel To Rubber Bonding gives good retreadability. Optimum Footprint Pressure Distribution gives Uniform Wear Rate.
- Ultra-modern Design Concept gives exciting appearance.



If every tyre were as good, you wouldn't have to ask questions.

ł,

# **UK NEWS**

Britain has £857m.

tourism earnings

## Financial Times Mouday April 9 1979

# **British Rail modifies** advanced train design

#### BY IAN HARGREAVES, TRANSPORT CORRESPONDENT

BRITISH RAIL has produced a heen as an electric-only train, range of modified designs for dependent upon an extension of

DRIATISM RALL has produced a neen as an electric-only Iralin, range of modified designs for dependent upon an extension of its 150 mph Advanced Passenger main line electrification for Train as part of its effort to wide application. persuade the Government to A joint British Rail-Govern-authorized which industry of ment working party is studying the transfer of the Government to A joint British Rail-Govern-authorized which industry of ment working party is studying the transfer of the Government to A joint British Rail-Govern-authorized which industry of ment working party is studying the transfer of the Government to A joint British Rail-Govern-authorized which industry of ment working party is studying the transfer of the pressel 22.321 route railways the control of the pressel 22.321 route railways the control of the pressel 22.321 route the new portfolior of transfer of the offer offer of 22.321 and traction options for the pressel of the offer offer of the become the Inter-Chi fork for inditional electrification, but horse the Inter-Chi fork for inditional electrification, but horse the inter-Chi fork for inditional electrification but without mass distingt for second to electrify almost 3000 miles, 1 worried by recent reports that will be adopted 2 Department of the pression of electrify almost 3000 miles, 1 become the formation of the pression of the use of thread the project, which first the many rail, power as on Southern previous fillway find strong the train has been strong the interval action is a single front end power car. by maintenance men at the with a maximum speed of 125 s

The latest industrial action is maintenance men at the Glasgow Shields Road deput. This is preventing trials on the pe train, which should In going for this flexibility, entered - service -on British-Rail is admitting that prototype train, which should London-Glasgow this spring, but it is now unlikely to he in use before the cnd of the year.

The train, whose tilting hody shell enables it to corner at possible, and even with twin high speed, is regarded as a power cars tests have shown hreakthrough in railway that the extra 25 mph, saving 12 technology, with major export minutes on the London-Glasgow poteotial particularly to the run- does not justify the higher U.S.

So far in this country it has

London-Glasgow, it will reduce the journey time from 3.10"4' hours - Fature trains would

to the APT programme is to (HST) now in sarvice on London-South Wales and the East Coast main line.

for Twiflex a single front-end power car, with a maximum speed of 125 ruph, rather than the prototype's twin central pnwer cars,

the APT will not in fact run at 150 mph in the foresecable future. With a single power car. 125 mph is the maximum speed Engineering. Corporation.

When APT does appear on Mr. D. Bauer.

West Coast routes such as London-Manchester. The new oesizns duen up the prospect of APT on relatively minor routes such as the Trans Pennine rail-way or London Bournemouth. The government's alternative extend the life of the diesel-only 125 mph high speed train-

1977 U.S. launch TWIFLEX COUPLINGS, a subsidiary of Sheepbridge Engine-ering, has launched a new com-

pany to market its Industrial disc hrakes and power trans-mission conplings in the U.S. The new company, Twiffex Corporation, based in New York State is a wholly owned sub-(36 per cent). only 1 per cent. sidiary of Twiffex Couplings. Mr. H. Gunner managing | firector of Sheepbridge |

UK visitors inside the EEC spent £532m, 30 per cent more than in 1977. Visitors to North has been appointed president of Twiffex Cnrporation. The vice-presi-America spent £153m, a 39 per cent increase on 1977. dents are Mr. J. H. Dawson and

The number of visitors from the EEC actually fell by I per

FINANCIAL TIMES REPORTER cent, and those from other HEALTHY year for UK Western European countries probably appear first on other | tourism in 1978 left the travel account of the balance of pay- fell by 3 per cent. Significant ments in surplus by £837m. a. increases were recorded in visits from Eastern Europe (39 decrease of £221m on the record per cent). Greece (19 per ceot), £1,078m; earned in 1977.

surplus from

New Zealand (15 per centl, Department of Trade figures indicate that UK residents are Sweden (1S per cent), the Middle East (13 per cent). spending more lime and money South Africa (10 per cent) and the U.S. (9 per cent). abroad, and the trend seems to. be growing:

In 1978, they spent £1.46601 00 12.8m overseas visits, a 33 per Tourism cent increase in speoding on Major decreases were recorded

in visits from Norway (24 per Visitors to the UK brought cent down) and Austria (18 per in' £2,323m pn-a record 11.7m cent down). visils, a 2, per cent increase on the Jubilee year, and a 7 per cent increase in spending.

UK visitors arriving by air increased by 4 per cent: those The increase in UK visits arriving by sea decreased by 3 abrnad is mainly in holidays, per cent. Whereas business rather than business visits. visits inside the UK, and visits The biggest iocreases were in visits to Yugoslavia (52 per by friends and relatives, increased, fewer people came to cent), Greece (28 per cent), Portugal (21 per cent), Switzertour land (19 per cent), and the U.S.

the 1978 level.

EEC visitors spent £636m Western Europeans £313m. North Americans £476m. and visitors from other areas £870m. The trend is for more UK residents to take secood and winter sporting holidays, and UK tourism abroad in the first three months of 1979 is expected to show a significant rise over

of theit or burglary. To eliminate the risks—in "back-street" alarm inusing stallers who often do not carry out maintenance, the council keeps a roll of 110 reliable installers throughout the UK. Each checked for technical competence and experience, they, are required to provide a 24-

and they also reduce the fear

tained false alarms. .

Burglar

sales up

BY JAMES MCDONALD

alarm

issue a certificate for each new installation. Since the council's formation, 6,940 were installed in the first 9 months of 1972, compared with 28,605 last year. Approved installers supply about 80 per cent of British

European paper institute formed A NEW body to provide statisti-cal information of the European paper industry is to be formed. It will be called the European Paper Institute and a director is to be appointed thorthy. Works managers rap Institute

Benson

#### BY JASON CRISP

A REPORT published by the members are responsible for British Institute of Management over Sm people in productive which criticised the part played nf Management did not even consult it on this study, said Mr. LOSSES FROM house burglaries and thefts from industrial by professional institutions in developing Britain's production engineers has enraged the Institution of Works Managers, promises last year totalled £32m industry's own attitude to the production function. It is dis-iressing that at the very time of my institution's affiliation to which has just affiliated to the BIM.

-20 per cent mure than in 1977. And with efficient alarm systems driving thieves from offices and factories they are increasingly concentrating no bouseholds. The report concluded: "The existing professional; institutions have failed the country's Last year, Britons installed production managers by con-centrating on technological aspects of their jobs rather than the managerial without even homes-121 per cant more than in 1977 but still well behind the growth in hurgiaries and s long satisfying the need for more engineering expertise." Mr. Christopher Benson, way behind the 750,000 systems the National Supervisory, Coun-

cil for Intruder Alarms believes director-general of the instituis needed. The council was established in 1971, supported by the Home Office, police forces, insurance tion, described this as "non-sense" and said that bis organisation's conress concentrated on the improvement of management skills. The first two years of the four-year courses to qualify for membercompanies and the security industry. It aims to improve the standard of service, equip ment and maintenance in the sbip of the IWM deal purely with managerial aspects of proinstallation of intruder alarm systems, and to reduce the high duction management, such as incidence of inefficiently main finance, economics and buman relations. Technology teaching was only a small element of later parts of the course, he

While alarms can be expen added sive, in the region of £250 upwards, it is argued that this Although the IWM is the main professional qualification offsets the loss of large sums of money or valued possessions

the overall depressing situation revealed by the Advisory Panel on Management Education report The Career Development o for production managers — the institution boasts that its 20,000 the Production Manager in British Industry.

industry - the British Institute

"The BIM's attitude mirrors

the BIM it should make this misleading and inaccurate

statement. To state that institutions

have not achieved attractive career structures, educational

standards, social esteem or asso. ciated financial rewards for their members is the final airaw

in an unconsidered and irre-

The British Institute of Man

agement, while refusing to comment because it bad not seen

Mr. Benson's statement, said: "We hope that we can get to-

gether with all the institutions

and other parties concerned with production management so

that wa can make progress from

sponsible statement," Benson added.

# **Two in three Londoners** use private transport

LONDONERS do little more than a quarter of their travel-ling by public transport comof the mileage recorded by travellers in the built-up area pared with two-thirds by private transport, mostly cars, it is claimed today.

Mr. Andrew Warren, sec-retary of the Movement for London campaign, says that transport, particularly cars, by Government statistics on trans- 10 per cent over the past port in the capital contradict decade in London, from 55 to the assumptions of many 65 per cent." (The figure for municipal leaders that public public transport was 28 per transport is the dominant mode cent.)

nf London is by car, van, motor-cycle or bicycle." Mr. Warren "This is an increase in SAYS. the 'market share.' of private

travel. "Nn less than 65 per cent

## By Guernsey to Guernsey Amsterdam and Rotterdam to

belonging to the Dutch airline Guernsey. NLM was named "Island of The airline named the zir Guernsey" on Saturday by Sir John Loveridge, head of the island government: NLM, a subsidiary of KLM

direct services last summer from

If you think you qualify for a postal vote on any of these grounds, the Electoral Registration Officer? for your London Borough or District whose office is usually at the town hall or council offices can give you the proper form to apply for a postal vote, a franked envelope in which to return it and any information or advice you need.

You can, however, for convenience use one of the forms below, but it must be delivered to the Electoral Registration Officer‡ for the London Borough or District in which you are registered, preferably by first class mail (9p stamp) or by hand, not later than Thursday, 19th April.

If you wish to apply on other grounds (such as religious observance,

WORING BY POST

Busidess visits abroad mise by

# Applications must arrive by Thursday 19th April

If you cannot vote at the Parliamentary and District Council Elections at your polling station on 3rd May you may be entitled to vote by post.

The main grounds on which you can apply to do this are:-



craft after the island because of the success of the new raules, on which capacity is being trebled this year. The Netherlands is now Guernsey's secood most important tourist markel

cent of the market in "tied"

nutlets through special deals

between the big breweries and

individual cognac suppliers.

Wine and spirit newcomers have Russian connection

ISSUED BY THE HOME OFFICE. THE SCOTTISH HOME AND HEALTH DEPARTMENT AND THE NORTHERN IRELAND OFFICE.

is needed.

Reliable

hour service. the council will check any installation certified by approved installers provided they are still enrolled when a complaint is received. Approved installers, must also

- L If you are ill, disabled or blind.
- If you will be away from your home address on polling day because of the general nature of your job (but NOT because you are on holiday).
- 3 In the Parliamentary Election only, if you have moved to an address in another electoral division since 10th October 1978 (15th September in Northern Ireland).

or because a sea or air journey is needed to get you from your home to your polling station, or as a postal proxy voter) ask the Electoral Registration Officer # for a special form.

If you were granted a postal vote before or since the last election you may be able to vote only by post and a ballot paper will be sent to the address you gave for this purpose. If you want to make any change inform the Electoral Registration Officer for the London Borough or District in which you are registered as an elector.

There is no postal voting from overseas. If you will be at sea or out of the U.K. on polling day because of your job, you may be entitled to appoint a proxy to vote for you. Ask the Electoral Registration Officer# for Form RPF10A.

If you are serving in the Armed Forces in the United Kingdom ask your unit for a form. Wives or husbands of members of the Armed Forces living in the United Kingdom may also obtain forms from units. In case of difficulty they may apply to the Electoral Registration Officer ‡.

If you think you qualify under 1 or 2 above apply an this fart	If you think ym qualify under 3 above apply on this fo	
Representation of the People Acts. European Assembly Electron Application to be treated as an absent onter for an indefinite (Occupation or physical incapacity)		Representation of the People Acts. European Assembly Elections Act 1978,
Control of the factor of the f	If the applicant is not registered as a blind person the words in brackets should be deleted and the certificate below completed. Note: Where the ground of application is	Application to vale by post owing to change of residence 1. ( Sumone, block is to ty)
addressen soll, webschleners Lapple to be treated as an absent scoter at Parliamentary. Encopener Assembly and local government elections because ham likely to be unable to goin person to the polling station	blindness and the applicant is not registered as a blind person or other physical incapacity, the certificanc exclaration below will be accepted if it is signed by a doctor (or by a Christian Science practitioner). It may be refused if it is signed by someone else.	1 Other norma, block letters 1 ann registered as an elector for todaukless minil, mides 6 à three
Let a static constant a supervision of	MEDICAL CERTIFICATE/DECLARATION (For use where 1c1 or (d) on left applies, unless the applicant is registered as a blind person). I certify declare dust taithe Statement at (c) or (d) on left is convect (b) the applicant's anability is likely to continue to an anothing indefinitely *	Lapply in be treated as addabsent voleral Parliamenta and European Assendsty elections because I no long reside there. My new audress is web midress of helibiask latters (
to be with my clusband write to be with my clusband write there by reason of blochness (dimespect of which ) have been registered as a blind person by the	*I: compositor: coindicate which thermative opposite Signature Occupation Address	Signed Date NOTES (1(1) in application, if allowed, will continue in three for all Parkamentary and 1 as pear Assembly electric
Values on a suggial de la contraction de la cont	Date Send this form to the Electoral Registration Officer for the Londo Borough or District in which you are registered. Mark the envelope "Ist class post - Election Valerial"	<ul> <li>so long as non-remain relation of the your old address</li> <li>(2) For powary absence of a conholiday, does NOT constitute a change of costerize.</li> <li>Send this form to the Electoral Registration Officer 1 for the London Borough or District in which you are registered, not where you are living now. Mark the envelope "1st class post – Election Material"</li> </ul>

#### SY JOHN EDWARDS

with the well established. It is likely to be a tough brands. Camus now feels in a battle with an estimated 30 per A RUSSIAN CONNECTION is tchind the attempt by two new-comers to enter the UK wine strong enough position in gain and spirils trade. Camus Cognac, a footbold in what is still the nest-knuwn to the British as a biggest export market for cognac duty-free brand, is to campete in the very competitive UK in the world.

markel and it has appointed E. D. and F. Man—the sugar broker—as its UK agent. The link between the two com-

panles was established hecause both have strong trading interests with the Russians. Camps is the French import agency for all Russian alcoholic drinks and also has exclusive selling rights of all French wines and spirits into Russia.

E. D. and F. Man made its name, and fortune, by handling the linge Soviet purchases of sugar in 1974 when a world scarctly developed and market prices soared to all-time peaks. It has retained those connection but while remaining a powerful force in the world sugar market

has diversified considerauly. The six-man partnership uperates more than 60 sub-sidiary and associate companies throughout the world. These activities are based mainly encommodilies, ranging from share in a giant coffee estate in Brazil, a big stake in the English Association investment trust. and trading interests in sugar encoa, general produce, spices and cement worldwide, F. D. and F. Man has a strong

historical connection with the wine and spirits trade. In 1798 It was granted the sole broking rights for run and the supply of the traditional daily "tot" to the Royal Navy. In 1939 when the Government wanted to preserve grain supplies, gin rectiliers turned to sugar in provide their hasle spirit and for to years the spirit was imported by the group for the distillers, The link with wine and spirits The link with wine and spirits trade languished when supply of the rum "thi" was ended in the carly 1970s. However, a new subsidiary E. D. and F. Man (Vietuals) is to launch Camus cognac and a wide selection of wines in the U.K. Camus is an established world name for engnae: it claims to

in the biggest single duty-free selling brand. However, it has avoided the UK market because it fell unabl to compete

**AUTHORS WANTED** BY N.Y. PUBLISHER Lesting ubsidy book publisher ceeks menuscripts of all types: fiction, non-fiction, poetry, scholoriy and tellplons works, etc. New authors wolcomed. Send for Irse booklet: FN-1, Vanage Press 516 W. 34 Street, NY 10001



Computers, relecommunications and modern off-re services are converging to open new . frontiers in office systems,

Executives, line managers and office workers are beginning to have powerful interactive computer hared tools as the result of the converging new

Bring your team to this conterence, where world leaders in the field will review the state-of-the-art i ether automation and the implications for your organisation.



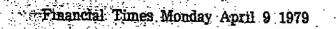


Hill Samuel & Co. Limited announce that with effect from the close of business on Monday, April 9, 1979, their Base Ratefor lending will be reduced from 13 per cent to 12 per cent per annum

Interest payable on the Bank's Demand Deposit Accounts will be at the rate of 92 per cent per annum.

Hill Samuel & Co. Limited 📻 100 Wood Street London EC2P 2AI Telephone: 01-628 8011

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ase				
	Vehicle production in Britain	in 1978	Exports in 1977 (Latest av	vailable Industry figures)
idone		,103	BL	365,128
port	Ford 430	,879	Ford	221,983

214,098

201,484

365,128 221,983 Chrysler 132,963 70,714 **General Motors** 

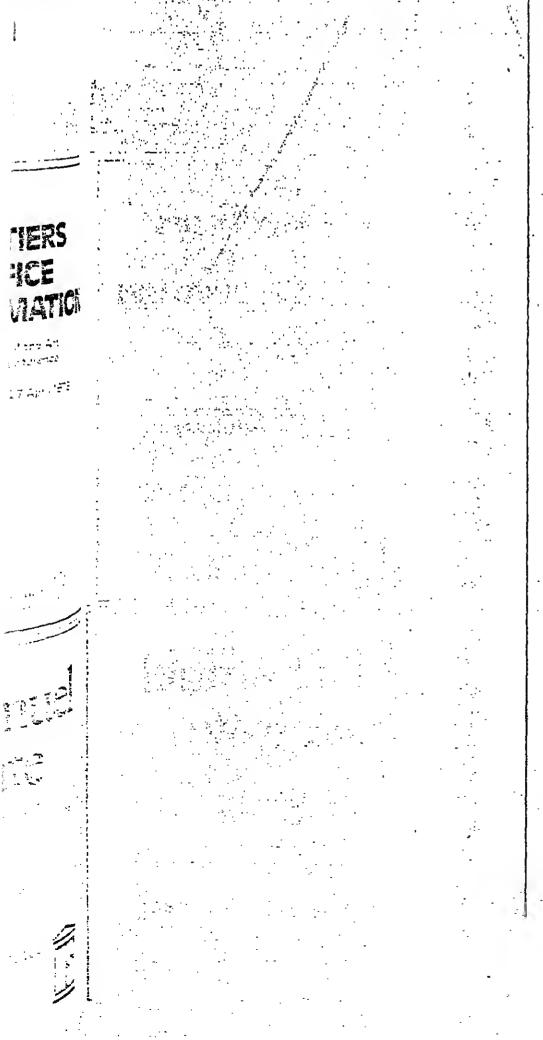
Source SMMT

Source SMMT

General Motors

Chrysler

BL is far and away Britain's leading motor manufacturer. We make almost as many vehicles as the whole of the rest of the motor industry in Britain. From Minis to 240 ton special purpose trucks. And remember, nearly 30% of the vehicles the other major manufacturers sell in Britain are shipped in from overseas. Unlike BL. 96% of our home sales are vehicles made in Britain. We don't just make British. We also buy British. Our purchases in Britain in 1978 were around  $\pounds 2$  billion. Far more than any other UK-based motor manufacturer. So much for our home record. Our record away is pretty impressive too. Export statistics for the industry in 1978 are not yet available. But our own export earnings of  $\pounds$  910 million show that over 40% of the vehicles BL made in Britain last year were sold abroad. And when you subtract our imports from our exports, you'll find we're Britain's biggest foreign currency earner. And this, in a country that stands or falls on its exports. So let's not forget. A large successful British motor industry is fundamental to Britain. We're large.



We're certainly British.

And we're on the way to being successful.



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# **UK NEWS**

# **Air Europe gets first Boeing**

BY MICHAEL DONNE, AEROSPACE CORRESPONDEN

THE UK's newest airline, Air Europe, takes delivery Seattle today of the first of its £30m fleet of five Bocing 737 short-haul jets. It is due to Gatwick on arrive at Wednesday.

The line bas been set up primarily as a holiday tonrs operator by Mr. Harry Goodman, chairman of Intasun, one of the UK's biggest four organisers he is chairman of the new enterprise.

Major shareholders are Flagcraft-of which Mr. Goodman is the principal shareholder-and Airline Management Associates, whose own sharebolders are Mr. Martin O'Regan aod Mr. Errol Cossey.

Mr. O'Regan is the chief executive of Air Europe and Mr. Cossey commercial director. Also on the board is Sir Jamea

The line has its offices at Reigate, close to Gatwick, which will be its main base. It has already engaged 40 pilots out of over 500 applicants, and 80 cabin staff from more than 2,000 applicants. Eventually staff will exceed 200. The first fare-paying pas-

senger flight will be on May 4. to Palma, Majorca, with 130 holidaymakers. This year the



Air Europe's Boeing 727 to he delivered today

airline will carry more than 250.000 passengers on 2,100 round-trips between the UK and 29 holiday destinations in eight European countries, and all seats have been sold. Air Europe is now selling seats for flights in 1980, and will Carousel

soon start selling for 1981. For the current year the biggest client is Intasun, taking 15 per cent of the seats. The rest have gone to Enterprise Rolldays, Exchange Travel, Inghams, Swans, OSL, Pontinental aod of 1980.

The line is aiming for a turn over of flom this year. The second of its Boeing 737s is due for delivery on May 4 and the third in early June, with the remaining two due in the spring

# OBITUARY Frederick

as City editor of the Daily express for 20 years until 1965. did much to popularise the reporting of City and company affiairs, died oo Saturday after a long illness. He was 64.

His first job. was as a 10 sbillings-a-week messenger on the Daily Express, In 1929 when he was 14. He mored into the paper's City office in 1930 and was afterwards City sub-editor in Glasgow and in Manchester.

After wartime service in the Royal Navy, Mr. Ellis was appointed City editor of the Daily Express in 1948, at the tal increases can be expected, "certainly in the next quarter," although longer-term forecasts were difficult to make hecause of the coming General Elecage of 32. In the succeeding two decades his reports helped to focus the attention of nonexperts on financial developments. In the 1960s he intro-duced a City diary, Under the Clock

He resigned the City editor-sbip in 1963 and moved to the U.S. staff of the paper when he married his second wife, an

Mr. Ellis left the Daily by an Alltransport subsidiary. Express in 1971 and was later a

contributor to the City pages of used to expand the company's the Sunday Telegraph. I other activities.

# LABOUR

## Accept 13% pay offer, Bank warns on dangers postal workers urged of financial

BY ALAN PIKE, LABOUR CORRESPONDENT

Office Workers, tells members

in a publication explaining the

offer that the impending General

the offer will be known on May

1, just before polling day. The outcome is likely to be decided

an efficiency scheme designed,

among other things. to eliminate

unnecessary overtime and per-

Office management sought union

agreement on tha use of casual

circumstances subject to a Post Office undertaking that its policy was to "staff the pestal service primarily by full-time career staff."

The advent of compulsory

Power men

face action

call on pay

By Our Labour Comes

mit part-time staff.

# setbacks By Peter Riddell,

Economics Correspondent WARNINGS about the danger

of exphoriz in financial markets came over the weekend from a number of City analysts. In its UK financial survey Barclays Bank Group economics department warns that after the cut in Mini-

mom Lending Rate on Thurs-day "the point is being reached which leaves the per cent a year after some conof solidation of supplements has market exposed taken place in July. reconsideration the fundamentals. "Although interest rates

are likely to end the year below current levels, any further fall in rates would be unjustified antil, in particular, a new Chancellor is able to demonstrate his ability to contain the pubborrowing

lic sector requirement." Barclays says that If dollar interest rates were to rise sharply or if gilt-edged investors' appetites proved to like all unions with settlements have been satiated, or if the growth in advances were to settlement agreed before ibe change takes place." Results of branch ballots on continue, rates would more up again. "Above all, sooner or later,

foreigners are likely to take the view that the current exchange rate flatters any new Government's ability to bring about a significant improveby postal workers' reaction to ment in onr prospecta quickly, especially in the case of reducing the size of the public Mr. Jackson explains that during negotiations the Post borrowing requiresector

ment." The review also warns about indications of a strong agreement on the use of casual and temporary postal workers but the union had "refused point-blank" the introduction of casuals. However, the union agreed to consider the use of part-time workers in cortain rise in bank sdvances, and several leading firms of stockbrokers share this concern. Brokers Joseph Sebag note

that both bank lending and overseas inflows are pushing monetary growth above farset. Therefore, the firm says. "a little more caution is necessary in the abort-term. but our strategle stance, based on a belief in the gradual easing of economic expansion

later in the year. remains essentially bullisb," Haulage group sells to expand

THE Alltransport International Group, one of Britain's largest freight forwarders, bas sold its Howe (European) haulage company to the Aston Clinton Haulage Company of Aylesbury for an undisclosed sum.

ELECTRICAL power engineers will today be urged by their union leaders to support indus-trial action if it is necessary to restore adequate differentials with manual workers in the electricity supply industry. eers Association has an agree-ment which establishes a rela-

tionship between its members' pay and that of manual workers.

Dowever

POST OFFICE workers are told union membership for UPW office "supplementary to the

Financial Times Monday April 9 1979

grades and the provisions of the Employment Protection Act, says Mr. Jackson, had nullified by their union today that a pay. offer which they are being urged to accept will "stand many objections to the use of part-time staff. It could no longer be claimed that they were examination alongside any other settlement made in the public sector." The offer, consisting of an

8 per cent increase in basic rates and other improvementa, is worth 12 per cent in the current financial year and 13.3 ment it will be possible to use part-time staff th help meet the service commitments of an

able overtime. The Post Office has agreed however, to recruit no part-time workers who intend to

The strike is unofficial. The

with the loss of 40,000 engine

the, ages

See

\$10

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remain in full-time work else-where. Priority will be given cheap labour. Under the proposed agreeto enabling existing postal workers to opt for part-time employment between of 60 and 65.

# Perkins plant barricaded

Mr. Tom Jackson, general sec-retary of the Union of Post -even if it takes six months". WORKERS AT Perkins diesel engina plant, Peterborongh, yesterday barricaded the gates and prepared for an indefinite strike over pay. The strike is unofficial. The men, mainly members of the engineering workers' mains, are demanding pey parity with group workers in the Midlands in a package deal which would give the man ertra £30 struck Election has influenced the union's executive in deciding to union's executive in deciding to conduct a branch ballot now. "In the opinion of the executive council it would bave and sealed off entrances.

A management offer m; in-creases between 28 and 10 a week has been turned down been wrong to gamble with our and sealed off entrances. Com-members' pay on the basis of a pany forries and vans were new government takes office any-thing can happen and the UPW, cases, chains 'strips of metal The pay parity issue has been in dispute since 1973 when the plant was closed for a motion and wood were used to block The company is the biggest employer of labour in the Peter-

pending, is seeking to have the gateways. The company settlement agreed before ibe One picket said: "No one is employer of lab change takes place." going in until our claim is met borougb area.



# **Businesses** launch **Euro-union**

#### By Colleen Toomey

A EUROPEAN union for amall businesses is launched in Rome today by representatives of centre-Right political parties review. from 17 countries. Mr. David Mitchell, a Con-

servative MP and chairman of the Smail Business Bureau, heads a British delegation of 25 husinessmen and will join in approving a manifesto for the European Medium and Small Buainess Union,

The union is to tackle problems facing amall businesses in | into third-rate towns, but only Western pressure centre-right parties and at the | growth may be anticipated." European Parliament.

vehicle for pressure on behalf of small com- being generated by fashlon panles to defend their interests retailers which with their large and to encourage the develop | turnovers and relatively high ment of their enormous poten profit margins "seem able to tial within the Western sustain the highest rental levels countries." said Mr. Mitchell. which these shops command."

untries," said Mr. Mitchell. which these shops command." "We will call for the forma- In comparison, the market for tion of a small business come secondary sbops, particularly mittee within the European the larger units, have been Parliament in the same way as dominated by doit-yourself con-Conservative Party has cerna and discount retailers such established - a small business as food and electrical stores. expecting to justil committee over the past four Erdman says that the strong which they are no years at Westminster." he aaid, demand for shop properties has prime properties."

BY ANDREW TAYLOR THE STRONG demand for retail had a "drsmatic" effect on properties experienced in 1978 rental levels. "There have been is continuing this year, accord-few good quality shop proper-ing to a property investment ties available in the face of

review. Edward Erdman, the surveyor, considerable demand. As a says that the surge in consumer creases in shop rents have been experienced in the majority of spending last year prompted a considerable increase in demand big towns and cities. suggests that this demand is continuing. With good quality retail sites in prime areas in short supply. demand is spilling over even into third-rate towns, but or the set to prime shop property. Com-petition for these prime shops has been acute and the market bas seen a number of tenders." for shop property, and evidence suggests that this demand is

Europe through for well-located units where groups within the prospects of "above average

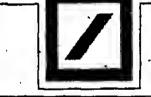
# "We see the union as a cipal source of demand for tion. co-ordinating prime shop property is still

On property investment generally, the review says that institutional demand for prop-erty has continued unabated despite the current low yields of between 44) per cent for the highest quality shops and

offices. It says: " Prospective growth in rentals is the single most important factor which purchasers are examining and expecting to justify the yields which they are now paying for



MR. FREDERICK ELLIS who



# **Deutsche Bank**

Aktiengesellschaft

(Incorporated in the Federal Republic of Germany with limited liebility)

We are convening our Ordinary General Meeting this year on Wednesday, 16th May, 1979, 10.00 a.m. at the Jahrhunderthalle Hoechst, Pfaffenwiese, Frankfurt 80,

## Agenda

1. Presentation of the established Statement of Accounts and the Reports of the Board of Managing Directors and the Supervisory Board for the 1978 financial veal

Presentation of the Consolioiated Statement of Accounts and the Report of the Group for the 1978 financial year

2. Resolution on the appropriation of profits

The Board of Managing Directors and the Supervisory Board crocose that the disposable profit of DM 187.323.922 be used to distribute a dividend of DM 9 per share of DM 50 par value.

3. Rainfication of the acts of management of the Board of Managing Directors for the 1978 financial year

The Board of Managing Directors and the Supervisory Board propose that the acts of management be ratified for the 1978 inancial year.

4. Patification of the acts of management of the Supervisory Board for the 1978 financial year

The Board of Managing Director: and the Supervisor; Board propose that the acts of management be ratified for the 1976 Imancial year.

#### 5. Election of the auditor for the 1979 financial year

The Supervisory Board proposes that Treuverheit: AG Witts challs and ungegebet schahl - Steuerberahangsgeseilschalt, Franktum (Main- tre abspirited auditor for the 1979 (inancial year.

#### 6. Authorized share capital

۰.

The Board of Managing Directors and the Supervisory Stars progress that the following resolutions be passed

a) The Board of Managing Directors shall be authorized to recrease the share capital by up to a total of DM 200 million with the consent of the Supervisory Board once or more than once until April 30, 1984 torough: the issue of new shares against cash payment. At such times pre-employe rights shall be granted to the shareholders, the Board of Waraging Directors is however authorized to except hactions from the chareholders, pre-emptive rights and also to exclude the pre-emption rights miso far as is necessary to provide the holders of the Warrants from the 4:3% US-Dollar bonds with Subscription Rights of Deutsche Bank Compagnie Financiare Luxembourg S.A. ol 1977/87 with such pre-emotwe rights to new chares as they would be emitted to upon exercising the Subscription Right.

The authorization issued at the General Meeting on May 11, 1977 to increase the share capital, DM 60 million of which has not yet been utilized. shall ba cancelled.

b: § 4 (5) of the Articles of Association shall be amended to read as follows: The Board of Managing Directors is authorized to increase the share capital by up to a total of DM 200 million with the concent of the Supervisory Board once or more than once until April 30, 1984 through the issue of new shares against cash payment. At such times pre-implive rights shall be granted to the shareholders; the Board of Managing Directors is however authorized to except frections from the shareholders' pre-emptive unhis and also to exclude the pre-emptive rights in sn far as is necessary to provide the holders of the Warrants from the US-Dollar Eends with Subscription Rights mentioned in subpata. 4 with such pre-emptive rights to new shares as they would be entitled to upon exercising the Subscription Right,

Shoreholders entitled to participate in the General Meeting and to exercise their right to vote are those who have deposited their shares during normal cflice hours and in the prescribed form at a depositary bank until the end of the General Meeting. Depositary banks are those specified in the Bundesanzeiger of the German Federal Republic No. 69 of 7th April, 1979.

Depositary banks in the United Kingdom are:

Deutsche Bank AG. London Branch, 10, i.Aoorgate, London EC2P 247. Midland Bank Lunited.

International Division, Securities Department, Suffoik House, Laurence Pountney Hill, London, EC 4.

Snares shall only be deemed deposited if they are lodged by 9th May, 1979, at the latest with either of the alorementioned depositary bahks or any other authorized depositiones in the United Kingdom. In the United Kingdom entraince cards or forms of proxy will be issued by the afore-meditioned offices of Doutsche Bank AG or Midland Bank Ltd. to whom reference should be made.

With regard to the exercise of the voting rights we wish to draw your attention to § 18 (1) of our Articles of Association:

The voting right of each share corresponds to its nominal amount if a shareholder owns shares in a total nominal amount exceeding 5% of the share capital his voting rights are restricted to the number of votes carried by shares with a total nominal amount of 5% of the share capital. Shares held for account of a shareholder by a third person shall be added to the shares owned by such shareholder. If an enterprise is a shareholder, the shares owned by it shall a clude any shares which are held by another emergine controlling, controlled b ; cr attiduated within a group with such enterprise, or which are held by a third person for account of such enterphases."

5% of the share copital mentioned in § 13 (1) at present corresponds to a nominal amount of DM 52.006.645 = 1,040,132 shares of DM 50 par value.

Franklurt IMain, 7th April 1979

The Board of Mataging Directors

eroded during resent pay poli-cies, and the union claims there are indications that electricity boards want to revoke the agreement "irrespective of any gov-crument policy in order to compress differentials in the industry still further."

At the association's confer-ence in York the executive will today urge delegates to support a motion declaring that the relationship with manual workers "cannot be allowed to deteriorate for a further consecutive year" and that restoration of the differential is a major aim of association policy. The association's claim for this year has been held back pending settlement of the manual workers' negotiations. They are now being consulted on an offer of 9 per cent plus consolidation of bonuses and an extra day's huliday. The association is part of the wider Engineers and Managers Association, which has been involved in disputes with other TUC unions over its efforts to recruit members in the engineering and related in dustries.

# ELSBURG GOLD MINING COMPANY LIMITED THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

(Ail incorporated in the Republic of South Africa)

Doe to industrial action by Cnstoms and Excise employees, some members of the above companies will not bave received the 1978 Reports and Accounts of the above-named companies. Shareholders are advised that the outstanding Reports and Accounts will be posted to them as soon as they are released, by the Customs at Heathrow Airport. As previously advertised the Annual General Meetings of these companies will be held as followa:-

	Date of Meeting	Time of
Western Areas Gold Mining Company Limited	2nd May 1979	09.15
Elsburg Gold Mining Company Limited	2nd May 1979	10.00
The Randfontein Estates Gold Mining Company.		
Witwatersrand, Limited	9th May 1979	11.15
99, Bishopsgate. BAR: London EC2M 3XE.	NATO BROTHERS London S	LIMITED.
9th April, 1979.	<b>D, W.</b>	J. Phillips. Secretary.



#### Extracts from the statement of the Chairman, Mr. W. R. HEATLEY

Annual General Meeting 6th April 1979

EXPANSION AND RESERVES 1978 was a year of substantial progress for the Society with assets increasing by £34.53m (16.37%) to a total of £245.41m. Reserves totalled £9.41m representing 3.88% of total assets.

INVESTORS Investors balances increased by £34.2m to £230.88m and over 46,000 new accounts were opened. the total number to

LIQUIDITY Cash and investments amounted to £39.9m. 16.29% of total assets, all available on domand or at short notice.

LENDING

Advances during the year rose by 42% to £54.9m on 7906 mortgages,

bringing 245,805. BRANCHES During the year the Society openedbranches at Chelmsley Wood, Hanley

and Lye near Stourbridge. In addition the new administrative headquarters building in High Street, Coventry was completed and opened for business in December 1978.

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Head Office:

ECONOMIC HOUSE, P.O. BOX 9, HIGH STREET, COVENTRY CVT 50N Telephone: 555255

> Authorised for investment by Trustees Branches and Agencies throughout the Country

# It relaxes you on the M6. Impresses you on the A38. Excites you on the B4012. And attracts admiring glances in Regent Street.

The quite exceptional car we refer to is the elegant and stylish Gamma Berlina you see pictured here.

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NY.

To begin with, we have unashamedly -spoilt the driver and his passengers. (In particular, it is our belief that if a driver lacks for nothing, he will feel more relaxed and alert, especially after long journeys.) The interior is extraordinarily roomy Thick pile carpet is fitted door to door. The roof is beautifully quilted. And the seats, which can carry five adults in extreme comfort are contoured and thickly padded. In addition, they have adjustable head-rests and are covered in an elegant and luxurious cloth fabric. The steering wheel is adjustable, the windows electrically operated and the driver's seat can be adjusted for both height and tilt. In terms of performance, especially on major roads, the Gamma is a thoroughbred Lancia. The powerful 2.5 litre boxer engine

gives impressive acceleration when you need to overtake, with a smooth 5 speed gearbox, as well as a top speed of over 120mph. Like every Lancia, the Gamma has front-wheel drive for impeccable handling and roadholding on the twists and turns of winding country roads.

Steering is power assisted and should you meet a flock of sheep en route, dual system brakes provide exceptional stopping power. Which means that the Gamma handles like a car half its size. Finally, we feel certain that the restrained elegance of the Gamma Berlina will not go unnoticed in the traffic jams around town. You will be relieved to know that this car carries a very sensible price tag which will not deter even the most austere of financial directors. (You might mention too,

that the new 12,000 mile service intervals practically half servicing costs.)

If you would like to test drive the Gamma Berlina, talk to your Lancia dealer. He'll be happy to prove that the claims we make for this car are a refreshing reality. At the same time ask him about our special leasing schemes, which offer some striking financial advantages.

هكنامن لتهمل

Or if you are eligible to purchase a Lancia free of taxes, contact our Export Department.

# LANCIA The most Italian car.

Lancia (England) Ltd., Alperton, Middlesex. Tel: 01-998 5355 (24 hour sales enquiry service).

\*Price includes car tax, VAT at 8%, inertia reel seat belts and delirery charges on UK mainland, but excludes number plates, metallic paint and leather upholstery.

The Lancia Gamma Berlina. £7,135.83\*

# **Tories offer council** homes at half-price

BY ELINOR GOODMAN, LOBBY STAFF

MR MICHAEL HESELTINE. the Conservative sookesman on the Environment, produced the first real electoral carrot of the Tory campaign at the weekend when he gave details of the party's plans for belping cooocil tenants buy their own homes.

and the second second

8

A Conservative government would, he said, enable council bouse tenants of more than 20 years' standing to buy their houses at half price.

Tenants who had been paying rent for more than three years would be offered a discount of a third on the market value. Mortgages of 100 per cent would be available to all those who wanted them and were able to afford them, he promised. The Tories would also have

"urgent consultations" with Housing Associations about selling their properties to sitting tenants, he said.

Apart from making a general commitment to cutting income tax, senior Conservatives are of policies which would either ... He also emphasised that safeinvolve a reduction in Govern- guards would be built into the

rule as he made it clear that only one major public appear-the Conservatives regarded help- ance this week, Mr. Heseltine ing council house tenants huy is one of a small team of their bomes as a way of reduc- shadow ministers scheduled to



Mr. Michael 'Heseltine

used to get across the idea that ing public spending in the long

Labour is a totally divided party and that Mr. Callaghan represents only, at best, one involve a reduction in Govern-guards would be built into the half of it. ment revenue or an increase in system to ensure that homes As part of this general attack public spending should be kept were not sold below cost or that he is likely to focus on the to a minimum during the cam- occupiers did not end up paying Labour manifesto, which yester-paign. Iess in mortgage repayments day was being lambasted by the Mr. Heseltice's speech was than they had in rent. Tories as being little more than apparently in keeping wilb this With Mrs. Thatcher making a cover-up for the red-blooded rule as he made it clear that only one major public appear. Socialist policies which a Labour haif of it.

Government would try to im-pose on the country if elected with a large majority.

speakers.

# **UK NEWS – POLITICS Polls show Labour**

# trailing further as campaign starts

#### BY OUR LOBBY STAFF

take some of the media lime light away from Labour. The main responsibility of replying to anything the Prime yesterday by the opinion poll-sters. Two polls showed that Labour's rating had got worse, Minister may say at his first Press conference today is being left to Mr. Heseltine, who, though nut considered an inteland a third was hardly more encouraging when it suggested that the party's standing in the key marginal seats had im-proved only fractionally over the last week lectual beavyweight by all his colleagues, is generally recog-nised as one of the party's most effective campaign the last week

The worst news for Mr. Cal-laghan was contained in a poll carried out for the Observer by Research Services. This showed a 21 per cent lead for the Conservatives, the largest ever recorded for any political party during a general election campaign since optnion polls began in 1939. Mrs. Thatcher is not expected dog-fights with Mr. Callaghan if her advisers can help it, but Mr. Heseltine will bave no auch inhibitions and is expected to launch an all-out attack on Labour policies today. The Tory offensive will be taken up tomorrow by Mr. Reg Prentice, the party's most glittering convert and the prospective candidate for Daventry. The idea seems to be that Mr. Prentice should be used to get across the idea that Labour policies today.

began in 1939. Translated into votes lt would give the Tories a majority in the House of Commons of more than 200 seats. though not even the most optimistic Conservative would expect this lead to be main-tained during the campaign.

Another poll carried hy Marplan for the News of the World sbowed that the Con-servatives bave more support among young voters than Labour. Whereas a year ago Labour had a lead of 12 per cent among first-time voters, now the Conservatives are 2 per

LABOUR was given a gloomy cent shead. But the polls also atart for its election campaign showed that 29 per cent of yesterday by the opinion poll-voters under 23 still had not sters. Two polls showed that decided how to vote, though Labour's rating had got worse, when pressed more of them said they would vote Labour than Conservative.

Meanwhile the Marplan survey of 100 key marginal seats, which is being carried out at weekly Intervals throughout the campaign for the ITV pro-gramme, Weekend World. gramme, Weekend World. showed that Labour bad managed to pull back only one percentage point in the week to yesterday.

The polls showed a Conserva-tive lead over Labour of 13 per cent on a swing of 6.2 per cent. If such a swing were repeated on polling day the Tories could expect to take more than 60 seats fram Labour.

The biggest change since last week was that the number of

week was that the number of people undecided about how to vote had dropped from 24 per cent to 14 per cent, with the two main parties picking up support fairly evenly. Despite the Torles' overall lead, a majority of electors still thank that Mr. Callaghan would make a better Prime Minister Votes pact talks fail

# Manifesto 'a cover-up' claim leading Tories

#### SY ELINOR GOODMAN

was torn apart yesterday by wrapped." Conservatives, delighted to have been given what they claimed was further evidence of the camouflage," disaster that would follow another Labour victory.

Dismissing suggestions that the Prime Minister had suc-ceeded in outmanoeuvring the Left at the final manifesto meeting on Friday night, the Conservatives maintained that, in reality, the document was nothing more than a cover-up. policies. The manifesto, he said, promised huge increases in public spending while at the

The proposals for a wealth tax nd further powers for the same timo promising to cut National Enterprise Board were singled out for particular abuse.

Both Mr. Norman St. John chairman of the Conservative Stovas, the shadow leader of the finance committee, reserved the House, aud Mr. Teddy Taylor, worst of his ahuse for the the shadow Scottiah Secretary, wealth tax proposals. It was claimed that the document absolutely crazy, he said, that failed to give a true picture of people should be taxed on an

Labour policies. At best, said Mr. Taylor, the amount which was worth only country had been given "the Mr. Norman Tebbit, Tory shcep's clothing in which the calidate for Changford claimed

By Stewart Dalby

#### LABOUR'S election manifesto designs of the Left are to be that it would not be long before people nn average earnings had to pay a wealth tax if Labsur Mr. St. John Stevas claimed had its way. that despite the Gallaghan Mr. Edward Heath, the former Conservative leader called the manifesto "marc of the same old medicine"---the the Labour leopard's spots were as " flaming red as ever." Mr. Angus Mande, deputy chairman of the Tory party, who

same pathetic belief in the even before the manifesto was extension of public ownersbip; the same attempt to impose trade union "democrafic conunveiled on Friday was attacking its expected contents, pointed to what he regarded as the contradictions in Labour tròl."

Financial Timés Monday April 9 1979

The yawning credibility gap between past sufformance and future promises damned the Labour manifesto from the start, he added.

incusse tax. Mr. Nicholas Ridley, vice-Mr. Denis Healey, the Chancellor, responded with a challenge of his own to the Conservatives. Anticipating the publication of the Tories' manifesto on Wednesday, he callad on Mrs. Thatcher to specify which of the public services she intended cutting as

part of her commitment reduce public spending.

# Callaghan warned of 'Left takeover'

ULSTER'S Unionist parties have failed to arrive at an BY OUR LOBBY STAFF electoral pact and field agreed

candidates in some of the pro-FUEL FOR the Conservatives' vince's 12 constituencies. This could mean that at least campaign to brand Labour as party of extremists came yesterday from a group claim-ing to have the best interests of Labour at heart. two seats will be lost either to

The Social Democratic Alli-ance, which was founded in 1975 to represent what it called "grass-roo's Labour moderates" and later supported Mr. Reg Prentice in his fight with the Left at Newham North East, wrote an open letter to the

Prime Minister warning him that the extreme Left was on the verse of taking control of the Parliamentary Labour Party.

min canagran should make a public promise not to appoint to his next Government any MP whe had been associated with "extremist organisations" and bad not since repudlated them. To help Mr. Callachan and, presumably, the Tory Party-seek out the extremists in his ranks, the Alliance accom-panied its letter with a copy

Party. of its latest publication. The It urged him to "reassure" Mutation of Labour, which sets Labour voters that he did not support the views of those organisation is already cop-Left-wingers who boped to he trolled by the extreme Left.

returned in Parliament on his "coat tails."

The Alliance, whose mem

bership consists mainly of Right-wing Labour local govern-ment workers, suggested that Mr. Callaghan-should make a

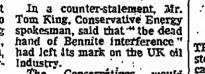
'Hard' to keep control of North Sea oil

#### BY MAURICE SAMUELSON

BRITAIN would have to fight immensely hard in the 1980s to prevent the EEC from getting control of her North Sea oll, Mr. Anthony Wedgwood Benn, Energy Secretary, said yester-

mission could have recourse to

mission could have recourse to the European court. His relations with the oil majors had always been "absolutely open" and, despile Press campaigns, the oil giants had privately told him that Labour's oil policy was the best in the world in the world



day. Claiming that he knew how to handle the oll companics. Mr. Benn warned that the EEC Con-whether they benefited the nation. Pending the outcome of the review. BNOC would lose its financial privileges and pay

petroleum revenue tax like the other oil companies. ation than those in the latest licensing rounds.

# **Research finding**

roting.

Tories.

# candidates By Our Lobby Staff

**Police body** 

appeals to

THE POLICE FEDERATION stepped into an election. campaign for the first time yesterday. While it was careful not to come out for a particular party, the policies it advocates are likely to strike most sympathetic chords among Conservative candidates.

It has sent an open letter to all candidales, nrging them to support the reintroduction of The Tories would consider support the reintroduction of offering larger areas for explor- capital punishment for murder. In particular for acts of lerrorism, and stiffer penalties for violent crimes.

## maiL MPs and their secretaries cannot use Honse of Commons facilities copying machines or franked Commans envelopes. For the first time, MPs will be paid until polling day. Those who lose their yeats on May 3 will be entitled to claim

which claimed that 19 per cent | members hehind a campaign to

governmenl.

three months' pay. Political partles with staff

of voters regard law and order ensure the return of a Labour scerctary, told union officers at as an election issue. Mr. James governmenl. Brighton yesterday: "We shall

Weighell urges railmen to pay up for Labour

Acsearch finding The Federation also drew Railwaymen restorday began an from local NUR branches to attention to a research finding attempt to mobilise its 180,000 Labour constituency parties.

# make a heiter Prime Minister than Mrs. Thatcher. **Proclamation dissolves**

**Parliament until May 9** The Royal proclamation dis-solving Parliament was issued in Edinburgh and the City of at the House of Commons

Parliament reassembles. London on Saturday. The dissolution means that

Speaker and the swearing-in

# The United Under Unionist Party, for example, plans to ran Mr. Cecil, Harvey, a

**BUSINESSMAN'S DIARY** UK TRADE FAIRS AND EXHIBITIONS Title, Venue Birmingbam Motor Sbow (0602 51202) (until Bingley Hall, Date Current ..... 

 Current
 Apr. 17)

 Apr. 9-14
 Ideal Homes Exhibition (031 225 9657)

 Apr. 18-21
 National Food Services (01-686 7181)

 Apr. 22-24
 Numerical Control Equipment

 Exhibition
 National Agricultural Centre, (01-681 7055)

 Standard Handling
 and Distribution Exhibition

# businessman, against Mr. Enoch Powell in South Down.

the mainly catholic Social Democratic and Labour Party or the non-sectarian Alliance must close their offices until Party. The Official Unionists. the United Ulster Unionist Party. the Unionist Party of Northern

of members. The State opening by the Queen will be on Thursday.

rcad from the steps of the Royal Exchange, London today

Mr. Sidney Weighell, general

Ireland an dibe tiny British Dominion Party met in London-derry at the weekend.

May 13. The Proclamation will be

and at the Mercat Cross, Edin burgh oo Wednesday.

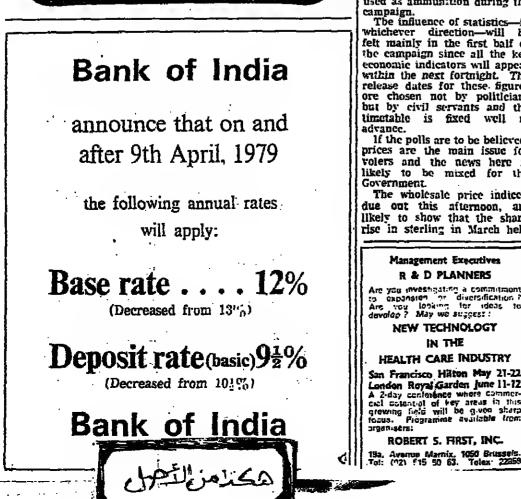
The Government, however. continues during the cam-MPs are barred from the pre-cincts of the Palace of Westpaign, The new Parllament will be summoned on Wednesday, May 9, for the election of a minster except to plck up

# But without the pact they sought the vote in several Unionist-held seats could be badly spilt.



# BASE RATE

Clydesdale Bank Limited announces that with effect from 6th April, 1979, its Base Rate for lending being reduced from 13% to 12% per annum.



Jardine, chairman of the Federation, said yesterday that any party which did not treat law and order as one of the most important issues would "pay the penalty on polling day."
PETER RIDDELL ON THE ECONOMIC INDICATORS How a set of statistics
can influence voters
POLITICIANS, ESPECIALLY down, and possibly reduced, the likely tread in unemployment. Labour ones, have been sensi-level of industry's raw material After rising by 42,800 in the tive about economic statistics costs, after a 4.8 per cent rise first couple of months of the ever since the 1970 election in the previous six months. year the total number of adults

when the import of two Jumbo jets resulted in a bad set of trade figures three days before slight pick-up in the rate of March.

According to Labour mytho-logy, as enshrined in the Crossman diaries, this helped to reinforce the late swing to the fied by large companies.

But. at least Mr. Callaghan does not have this worry during the current election. There will be no trade figures at all this month. an ironic result of the civil servants' industrial action.

> Management Executives R & D PLANNERS

NEW TECHNOLOGY

IN THE

HEALTH CARE INDUSTRY

San Francisco Hilton May 21-22

London Royal Garden June 11-72

London Roya Larden june Commer-cal Solantol of key areas in this growing field will be given shorp focus. Programme available from argenisers:

ROBERT S. FIRST, INC.

The electoral significance of any set of figures can easily be exaggerated, but they do have "headline" impact and are used as ammunition during the

campaign. The influence of statistics—in whichever direction—will be felt mainly in the first balf of remain in single the campaign since all the key the exact outcom economic indicators will appear on the fluctuation within the next formight. The food prices on th release dates for these figures was calculated. ore chosen not by politicians rate is however, but by civil servants and the above 10 per c timetable is fixed well in next month or two

#### If the polls are to be believed. Larnings

prices are the main issue for volers and the news here is likely to be mixed for the Some indication of the rate increase in pay should be p vided by the average carmi index for February, due The wholesale price indices, due out this afternoon, arc April 1S. likely to show that the sharp But Mr rise in sterling in March held admitted

But Mr. Healey has alread admitted that the increase

Are you investigating a commitme expansion or diversification i you looking for ideas to loo ? May we suggest :

the current may round is likely political controversy. Even the to be about 13 per cent, This National Enterprise Bnard compares with a rise of 142 per annual report, which looked cent in 1977-78 and the original like being ready before the

5-7 per cent limits for 1978-79; election, will now probably It is difficult to estimate the come out later.

# MAIOR ECONOMICS STATISTICS

- Whole price indices for March Central government borrowing for 10 Banking figures for mid-March Retail price index for mid-March 12 Industrial production index for February 18
- Average earnings index for February Cyclical indicators for UK economy for March Unemployment for mid Aprit 19
- 23

0 in the s of the of adults 12,100 10 On the other hand, the out of work fell by 12,100 le figures could show a lurther 1.3am in the month to mid

increase of industry's output The mid-April figures are due prices. In the same area, con- on April 19, though possibly siderable political ammunition more important than the could be provided by the Price monthly fluctuations will be the could be provided by the Price Commission index of rises noti- overall foial. The other statistics are more

This is expected either just cooterie. Nonetheless, they may before or just after Easter. give the puliticians something to This index already points to a argue about. While the Fehru-double-figure underlying rate of ary influstrial production index. inflation which the new index due on Thursday, may show

some recovery from the However, the relail price depressed level of January the index for mid-March, due on trend over the last year has still Thursday, may not be as been sluggish — especially in Thursday, may not be as been sluggish - especially in embarrassing as feared for the manufacturing industry. Yet for all the debate about Government

The 12-month rale of increase the statistics, the economic indi--9.6 per cent in Fehruary-is calor most likely to appear In expected by most analysis & the headlines may be sterling-

ost analysis figures, though the may depend ons of seasonal the day the index The 12-month , likely to move out within the	the headlines may be storling- in view of its recent strength. Voters will, however, be most directly affected by the arrival this month of domestic rate de- mands with average increases in Eogland and Wales of 18.5 per cent. On the other hand, parents
cot within the	will be receiving from this

tne	will be receiving from this month an increase in child benefits of £1 a wek to £4 for	Apr.
e of	each child. (therwise there will he a	Apr. 2
010-	distinct silence on the economic	
nys on	scene. The Civil Service wilt be quietly working on briefs for a new Government of which-	-
ady	ever party, while outside bodies	Apr.
in: elv	will also seek to avoid party political controversy. Even the	Apr.

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# BEFORE THE ELECTION

- Retail sales index for March
- Money supply figures for mid-March Consumer spending for first quarter Source. Gentral Statistical Office

#### Earls Court (01-446 2411) International Fire, Security and Safety-Exhibition Apr. 23-27 . (01-388 7661) Olympia Contract Flooring Exhibition (01-236 0911) Boat Show (0703 32548) -28 Apr. 30-May 6. Exhibition Centre, Bristol International Freighting Services and Equipment Exhibition—Freight Show North (01-437, 0644) Exhibition Centre, Harrogate May 2-4 ...... **OVERSEAS TRADE FAIRS AND EXHIBITIONS** Fur Industries Exhibition (SIF) (until Apr. 11) Paris ...... (01439 3964) MODEXPO-International Ladies' Fashion Fair Zurich Curreot Milan Jerusalem Zagreh Amsterdam Braga. Basel

Apr. 25-28 ..... FESPA 79 International Screen Printing Trade Fair Amsterdam Apr. 28-May 2... International Collectors Apr. 28-May 13 International Trade Fair International Collectors' Fair (01-336 0911) Stuttgart Brussels

# BUSINESS AND MANAGEMENT CONFERENCES

Upper Wohurn Place, WC1 (until April 28) Woking, Surrey (Until April 28) The 48 Group: Trends in Britisb Tradé with China (0772 51831) AGB: Trade Union Recognition—the options (01-353 3651) The Letinuitan of Machanical Engineers Decem-Guild Hall, Preston Apr. 10 London Press Centre Birdezee Walk, SW1 Cannon Street, EC4 Carlton Tower Hotel, SWI S42765) Apr. 14-2t ...... CBA/John Ridgway: Training Course (01-720 7711) Apr. 18-19 ...... 1MP1/AMEDA: Microwave-a Cooking Revolution Kensington Close Hotel, WS Ardmore (0582 411001) AGB: Executive Secretary (01-353 3651) London, WS Apr. 18 Apr. 18 ..... Apr. 18 20 ..... Charing Cross Hotel, WC2 Eurotech Management Development Service: Be a More Effective and Persuasive Communicator (0252 313066) Cafe Royal, W1 Cafe Royal, W1 Singapore Apr. 19-20 ..... MSS Computer and Business Consultancy: Mann-facturing/Production Control Concepts (Worthing 34755) Apr. 19-20 ...... Malaysiao Investment Centre: Assisting UK Busi-Worthing Apr. 20-23 ..... IPM: Current and Future Developments in Pay Policy and Industrial Relations Practice (0865 735422) Kennington, Oxford 22-27 ...... University of Bradford Management Centre: The Practical Skills of Managing People at Work. (Bradford 422991 Heaton Mount, Bradford 23-May 4... Brunel Institute: Management of Research (Uxbridge 56461) 23-27 ..... Management Centre Europe: Marketing Manage-Uxbridge ment Course ESC: International Conference on Trans-National Brussels 24-26 Data (057282 2711) IMRA: Planning Our Markets for the Mid 1980s (Lichfield 234488) Brussels Shrewsbury BCPA: Credit Control (01-405 1023) \*\*\*\*\*\*\*\*\*\* Waldorf Hotel, WC2 Bnard Apr. 25 ...... CCC: Industrial Tribunals—The Finance and looked Strategy of Preparing and Presenting Cases ore the 101-222 6362) 

 Apr. 25-27
 Institute for International Research: The 1979

 Corporate Tax Conference (01-388 4817)

 Apr. 26
 OEM Design Magazine: Microprocessors for your company (01-839 3143)

 Apr. 26
 BAS: Insuring OverSeas Construction Projects (01-222 0323)

 Apr. 26
 Modeling Functional Research: The 1979

 Royal Garden Hotel, W8 St. James, London SWI Cavendish Conference Centre 

 Apr. 26
 (01-222 (0323))

 Mobile Training: Employee Participation—The Way Ahead (91-242 S067)

 Apr. 26—27
 Executant Offices: Developing Technical Men as (Better) Managers (0494 33171)

 Apr. 28—37
 CCC: Tendering and Contracting in UK and Over 
 Cafe Royal, WI The Bull Hotel, Hotel Inter Continental, W1 Apr. 26-June 25 FT/The. City University: City Course (01-236 4382) Basinghall St., EC2 University of Loeds

The Post House, North

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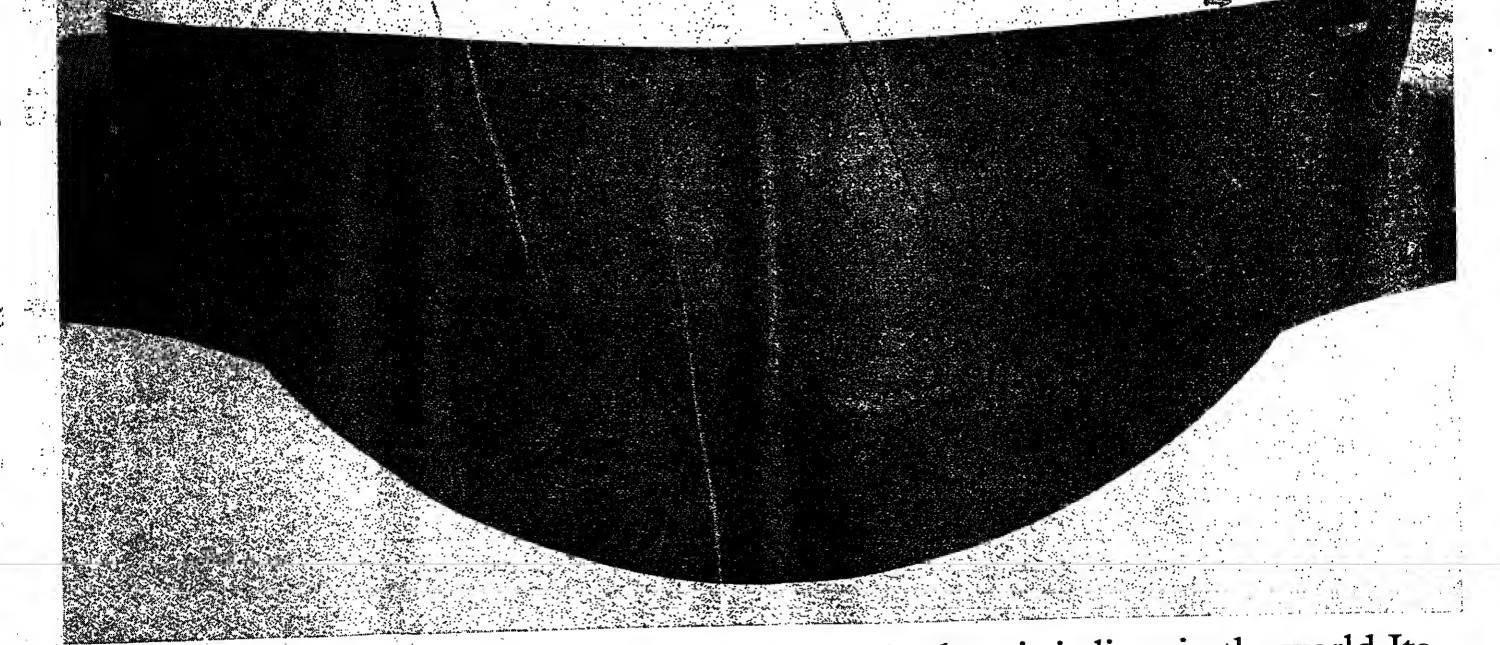
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HIBITI



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<u>The new TriStar 500.</u> It's the most advanced subsonic jetliner in the world. Its navigation control is second to none. As is the on-board computer. It's slightly shorter than the original TriStar. But that's a breakthrough in itself: all the comfort of a wide-bodied jetliner in a plane that can travel further without refuelling. And that saves you time. From May 7th our new TriStar 500s will be flying to Abu Dhabi and Dhahran. So you'll have a choice between the world's only supersonic aircraft, and the best in subsonic flight as well.



# K consultants in big irrigation plans

vject in Southern Pakistan.

"LBOD was proposed by the The new study will include a "partnership in 1966 in the complete review of the imple-"Lower Indus Report, the total mentation programme for the rost being estimated, in 1969, at f55m. Construction of the 510 cubic metres/sec. capacily, 420 km, long open drain which will extend from Khairpur "sbuthwards to the Ran of Kuteb. sooth of the river Indus, started in 1974 but progress has been slow and plan priorities have hean modified due to a shortage

of funds. SIT M. MacDonald and

of

Fisheries and Food.

Ministry

PARISTAN Water and Power component paris, together with Development. Authority has a reconnaissance level study of advise on the management of irrigation project. Development. Authority has a reconnaissance level study of advise on the management of irrigation project. appointed Sir M. MacDonald possible future extensions. The the overall project and of the Engineers, of Cambridge, con-the progressive implementation cootract administratoo and sultants for the first stage of the of the project. The assignment, equipment procurement and will Left Bank Outfall Drain Project. which is for 12 months, is assist with the solution of prob-(LBOD), a major drainage pro-ident in Southern Pakistan. Overseas Development.

team will endeavour to establish a better system of adminis-LBOD main drain and some 600 kms of branch and link drains. In addition, a programme for three years.

In the meantime, Ground-The partnership bas also been nominated by the Indonesian Ministry of Public Works to water Development Consultants tInternational) a joint company formed by Sir M. MacDonald provide an advisory team to and Hunting Technical Services assist a water resources agency 'Partners has been requested to (PIBD) and an agency respon- has been appointed by the indo-prepare an up-dated feasibility sible for the central administra- nesiao Ministry of Public Works study of the project and its tion of foreign aid (FAAD). In provide consulting services to provide consulting services rural water supplies programme.

Within PIBD, the team will for the Madura groundwater

appointed Sir M. MacDonald possible future entrances in individual irrigation projects. north of Java, has an area of and Partners, Consulting objective is to draw up an individual irrigation projects. north of Java, has an area of Events and a consulting comparison of Comparison of Comparison of the second s 4,500 square kilometres and a population of 2.4m. the majority of whom depend upon agriculture for survival.

In 1977 the two groups com-picted a feasibility study for maintenance of completed irri-gation systems. For FAAD the groundwater development on Madura.

The objective of the present tration, operation and reporting assignment, financed by the for the various project loans re-Ministry of Overseas Develop-ceived by the Directorate ment, is to construct, operate General of Water Resources and monitor several pilot In addition, a programme for General of Water Resources and monitor several pilot the full development of the Development. groundwater irrigatioo projects Sukkur Left Bank and for addi-tional subsoil drainage works the World Bank and will last for full development of ground-will be prepared. water resources on Madura-Drilling of 60 exploratory horeholes and installation, testing, operation and monitoring of approximately 30 production wells is planned. In addition, exploratory boreholes will be sunk for the on-going UNICEF

#### a Crown Office Development for lar grid. Cladding will generally the Property Services Ageocy at be in precast units with bighly Norcross, near Blackpool, Lan- insulated metal-framed curtain cashire. Work has started and walling inset, some external is due for completioo lo three brickwork at the lower levels

The linked " Y "-sbaped buildextremities of the building. ing, which will be partly sevenstorey and partly nine-storey with podlum decks at groundand first-floor levels, will complemeot seven buildings already on the 39-acre site. In addition fore their eyes over the coming 15 months when the Midlands: Region of John Laing carries. to normal office accommodation, there will be a large basement plaot area including a tele-phone exchange with facilities programme. for 6,000 telephone lines and a The estate out a £1.75m modernisation The estate on the northern

departmental training centre side of the city is being up dated with lecture theatres and conas part of a ten-year programme to bring about 35,000 older ference facilities for 100 people. All sections will have a wheelcouncil dwellings in Birmingchair access.

## **B-Cal's £7m offices** BRITISH Caledonian Airways of 160,000 square feet. External

has awarded Sir Robert cladding will be sliver anodised. McAlpine and Sons a contract flush curtain walling with solar reflective glazing. Work will start in June 1979. an office block at Crawley. Work will start in June 1979 in Malaysia worth more than f7m to build

tion in December 1980, Archi-On a 5.85 acre site the huild- tects are Lister Drew and Assoing will consist of a ground ciates and consulting engineers,

# Dredger does the splits

Called the Pantagruele, the

capacity of 2.000 cubic metres.

**Rubber plant control** 

ley chlorobuty) and butyl rub- inz, which will be blast-resisthor manufacturing plant of ant, will have a gross area of Esso Chemical, has been about 15,560 - square feet and awarded to John Mowlem and be fully air-conditioned.

Company. The new control house will furnt strel frame on reinforced he a single-storey structure and concrete ring beam foundations, contain, hesides the control with precast concrete cladding trol equipment, a laboratory, roof.

# **Big industrial estate**

ALL BUILDING and civil vices, car parks and landscaping ALL BUILDING and civil vices, car parks and landscaping Royal Arsenal Co-operative encioeering works for an indus on the 12-acre site. Society at ground level. The trial estate...at Cheadle Heath, Stockport, Cheshire, for Estates including of State of State and Partners. Stockport, Cheshire, for Estates Property Investment Company are to be carried out under a 18 months, The 85,000 sq ft unit 121m contract awarded to will be let as a warebouse under

Laing takes work worth over £10m BIGGEST IN a series of new will comprise an in situ rein- vacating their houses at 8 a.m. awards to John Laing Construc-tion is ao LSm contract to build hexagonal columns on a triangueach day and living in caravans. placed by the couocil in the front gardens of their homes. returning indoors to sleep at night-North East Region of John

Laing has been awarded three contracts totalling about £1.5m. and tiling to the four stair The largest is in Coulby escape towers situated at the Newbam, Cleveland, where Laing will build 96 dwellings Birmingham City Council tenants at Pype Hayes will see for up to 340 people at Tollesby Bridge under a fim contract for their inter-war houses transthe Middlesbrough Borough formed into modern homes be-Council.

At Newton Aycliffe, Co. Durham, Laing will build an advanced factory for Aycliffe Development Corporation. Work bas started with completion

expected in Scptember. Under a £200,000 contract Laing will also build 20 advanced factories on the Swan Industrial Estate for Washington Development Corporation. Work has started with complechair access. The structure on large ont in phases of up to 40 build- Work has started with comple-diameter hored pile foundations. ings at a time, tenants will be tion expected by January, 1980.

on hand

of Johore.

Department.

Marshall specification.

Taylor Woodrow and its

Roadworks

JKR, the Malaysian government's public works department, has awarded Tarlor Woodrow International a £2.8m contract for the resurfacing of 125 miles tory extension, factory units, access road, etc. of Federal Route 1 in the state

of Berks., has been awarded a detailed study into the circula-tion offshore of cooling water stations at Hinkley Point, Somerset.

team and the contract is scheduled for completion at the end of 1981. The consulting engl-neer is the Director of roads Aberdeen, as office accommodaof the Malayslan Public Works

burgh, has placed an other worth £277,000 with Elliott partners are already working Group of Peterborough; for an

> Building is this week appearing in new style. Changes made, says Editor Neil Murphy, are designed to reflect the growing status of the magazine as an opinion-forming publication and not merely a product-orientated trade journal. Publisher is, a member of The Builder Group. • Mr. Peter Mason, past presi-dent of the Institution of Structural Engineers and formerly partner of Pell Friscomann end Pariners, has been appointed executive director of Port-

lend Associates Consulting Engineers, a new consultancy groun which is heing formed to provide a comprehensive consultancy service in the struc-tural and civil engineering fields. Portland, Associates is being entablished as a medium sized organisation to undertake professional - consultancy = work

The second contract is for an extension to an assembly plant both in the UK and byerreas of MK Eventrin in Basilden, from its 41 Streatham High Essex. Fuller Hall and Fousbam Road. London, SW16 head-

so far this year, secured five will unite scientists from several August new contracts worth over of the Ministry's scattered Meanwhile, at its base in 14.25m, largest of which (£1.7m) establishments. Ipswich, where the company has In Peterborough, the division is for a Fisheries Research has negotiated a further bousrecently handed over the first Complex at Lowestoft for the ing contract, worth fl.3m, with phase of the new 16m Debenhams department store, work on Agriculture the Peterborough Development 32 new dwellings worth £400.000

**Fairclough in East Anglia** 

Corporation to build 128 twoin the Victoria Street arca. is under way for the lpswich Work on this four-storey storey houses and flats at the purpose-built lahoratory Orton Township. designed by the Property Ser- in Colchester work Borough Council. vices Agency at Cambridge already begun on a £500,000 starts after Easter. When com- fitting-out contract at the Sains-plete, in early 1981, the new bury's supermarket in London for the Britannia Building Society in Dales Road, Ipswich,

ERF has awarded to Norwest Fell Permanent Way Depot,

laboratory will be the largest of Road, Lexden, and is due for

"Holst Northern a £1.245.000 near Gateshead. contract to build its new A £348,000 co rcsearch and development Property Services Agency, c centre at Middlewlcb, Cheshire. North East Region, acting as l' centre at Middlewlch, Cheshire. The contract includes the crection of a single-storey coffice and canteen block, a building-all workshop racant land and complete with access road-fencing, minor storeys, with a reinforced conexternal buildings and general site works. Construction of an extension to the site of the placed work worth £120,000 stores section of the eixsting for reinforcing a concrete car service centre building is also foreseen

Archliects Mason are Richards Partnership.

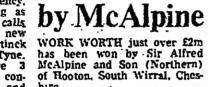
Standard Life Assurance contract for tarmacadam, paving Company has let a £1.200.000 and drainage, etc. on Phase 2 -contract for the construction of the construction of the new four warehouse units with Berth S.S Royal Seaforth Dock, offices, bardstaoding areas, . drainage, landscaping, service Maanwhile, Nutt Brodie nf road and sewer. The buildings, Bristor, new Norvest Holst with a net total floor area of company, has wou 9,951 square metres will be totalling £1,761,486. completely finished. The site is

north of the A650

factories A £348,000 contract by the agent for the Post Office, calls (or the construction of a new telephone exchange in Bentinck Road. Newcastle-upon-Tyne. The building will have 3 crete and a steel frame and Newnbam Properties has For the Cen placed work worth £120,000 Development park sub-structure in Linthorpe

Road, Middlesbrough. Mersey Docks and Harbour Compay has awarded a £107,000 Liverpool. Maanwhile, Nntt Brodie nf

company, "has won contracts Cumbran Development Cor-7.00m high to states and 7.00m high to states. poration is spending £760,000



will start shortly.

For the Central Lancashire Corporation, McAlpine is to undertake a housing cootract, worth in the region of £1.4m at Sherwood Site A, Preston. Wark Includes the erection of 119 single pcrson uolts, assembled in two aod

Housing and

three storey blocks. At Deesside Industrial Park. Shotion, a factory is to he built for the Welsb Development Agence under a cratract worth around £280.000. The building will be about 90m x 21m on

**Big project** in Liverpool FAIRCLOUGH BUILDING has, its type within the EEC and completion at the end of WIMPEY CONSTRUCTION UK

has been awarded by the Property Services Agency the £35m management contract for the Liverpool Exchange redevelopment and office construction project on a sevenacre site, in central Liverpool. a development which will eventually house 3,000 Govern-Work on a new hranch office ment staff.

> First major management contract to be awarded by the PSA it is due to the need to effect a close inter-relationship between the early pre-construction work, hotel conversion and the new building complex.

Aim is to convert the Exchange Hotel to offices, while developing the adjacent railway station aite for new offices-an integraied development aimed at maintaining the characteristic features of the old hotel, improving its fabric and at the same time converting the interior to offices which are linked to a complex of 17 ocw. office blocks surrounded by courtrards-the whole contained visually. spatially and environmentally within an imaginative overall plan.

Westex Recional Health Authority has awarded a contract valued at approximately f6.5m for a new extension to Southampton General Hospital. West Ward Block will be of 18.300 square metres and accommodate, 520 beds. Coostruction is in reinforced concrete frame on strip foundations with cladding mainly in brick with contrasting panels, plus an

## floor and seven upper storeys Sir Frederick Snow and Part-with an approximate floor area ners. THE FIRST large twin-screw bopper bottom but by allowing split hopper trailing dredger to the two haives of the bullwhich is divided over its entire be built by IHC at its yard at

length-to swing apart. Princi-Kinderdijk in Holland has been launched. It has been huittpal advantages are that the hopjointly for Sidersarda S.n.A. (Italy) and Societe Nationale de Traraux de Dragages (France). per can be emptied in very shallow water and that heavy, sticky material such as clay can be evocuated much more cleanly

and rapidly than by convenvessel is 77.5 metres long, has a 15-metre beam and a hopper tional means. The Pantagruele has a starboard-mnunted suction pipe of With vescels of this 1 me the sufficient length : to permit spoil is discharged, not by open- dredging at a depth of 20

ing doors, valves, etc., in the metres,

Awards to Jarvis

Constructino will be nf struc-

room housing electronic con- and in situ reinforced coocrete

A £1.3m contract to build the .computer suite, offices and mess new control house for the Faw- rooms for the staff. The build-

Financial Times Monday April 9 1979



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IN BRIEF Costain Construction has won

a contract worth over £450,000 to crect a four-storey office block at Aberystwyth for the Property Services Agency. Subsidiary company of the group, Foundation Engineering, has extended its apecialist operations in the Gulf States by opening an office in Muscat. Oman, to provide a site investigation service, including boring, drilling and samping, and a back-up service in soils and material testing, foundation design and advice. · Department of the Environ-

ment bas approved Central Lancashire Development Cor-pointion's scheme for s 21m sports centre at Clayton Green. Work is schednled to start almost at once with completion. expected in the summer of 1980. · Contracts valued at over £4m

have been awarded to A. and R. Asthury, of Cannock, Staffs., for the construction of schools, fac-

· Hydrographic survey section Seil Mechanics, of Brackhell The road, which links Knala Lumpur and Singapore, will be sorfaced with asphalt to £35.000 contract to carry out a Work, which has now started. from the CEGB's nuclear power is being carried out by indi-

genous operatives under the supervision of a small expatriate · Site owned by the Guardian Royal Exchange: Assurance Group is being developed by the company at Union Terrace,

St. Columba's Hospice, Edin-

as project managers for two substantial bourng develop-ments at Johore which have a combined value of £38m. extension : • Tha 136-year-old insgazine

MULTI-STOREY. car park above a ground floor department store in Woking, Surrey is the larger of two contracts worth £3,701 awarded to Jarvis. In the town centre, the Wok-

ing Borough Couocil has planned a six-storey car park to accommodate 872 cars with a department store for the Royai Arsenal Co-operative





# RESEARCH From the laboratory to the market place

company has successfully the university and, where neces-bridged the difficult gap between sary, associated circuit design. the laboratory and auccessful. It then links up with suitable conversion to industrial produc- instrument companies, who tion that so often frustrates undertake the design, producresearch terms. It is now export- tion and marketing of the indusing one of its products in the trial instruments exploiting City U.S. as well as developing a Technology sensors. rapidly expanding British market

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High

Wolfson Unit of a novel oxygen sensor designed initially for personnel safety monitoring. Increasing awareness of the of the National Coal Board. importance of safety, spurred on by the Health and Safety at Wark Act (1975), had produced a pressing demand for gas sensors. The sensors had to be small robust, reliable, stable and inexpensive, in order to meet the special requirements for widespread use in the working environment, often under difficult conditions such as in sewera or coal mines.

The university's solution was to promote its own company. City Technology, and give the original team the job of tackling

common with batteries, and the tion with the National Coal common which had industrial Board) for safety and fre experience of battery product detection and a carbon dioxide tion technology, was able to sensor for safety and flue gas apply this to good effect. The analysis. finished product in fact; looks Further details from A. D. S. erv like a small torch battery. Tantram of City Technology on City Technology concentrates 01-253 3799 at Northampton very like a small torch battery. its efforts on the development Square, London ECIV OHB ..

# • PROCESSING Air jets mix powders

CONTINUOUS OR batch blend- fed through the nozzles in a ing of fine, cobesive powders predetermined sequence caus-can be carried out with a ing a "boiling" action in the sequential jet mixer which has powder held in the vessel. All no internal moving parts yet is the powder is kept in constant said to provide faster mixing motion so that it quickly and better dispersion with less becomes thoroughly mixed. energy consumption than conventional rotary mixers, claims may be bandled, including SAP Chalford Industrial pigments Estate Stroud, Glos. (045-388 powdered 4144).

It comprises a cylindrical vessel with a conical base incorporating a number of multiple. jet air nozzies.

Jets of low pressure air are Laboratory.

SET UP BY a university a small and manufacture of sensors at

Easily assembled coldrooms The sensor is used in a Neotronics Instrument and work City University, London, was is well advanced on the develop-faced with the gap problem ment of an instrument for use following the development by its in coal mines being indertaken WITH THIRD World nations, for the storage of refrigerated accommodated, and the Middle East in mind, and frozen food throughout the Standard and the Middle East in mind. Sadla Airofreeze, Rosebery by J. and S. Sleger in conjunction with the Mining Research Street, Loughborough, Leicester

and Development Establishment (050 93 307311 has designed a range of coldrooms which can But many other applications are emerging, such as in flue gas analysis, to enable boilers to be adjusted for maximum fuel efficiency. Export business butchers, abattoirs, super- five different heights from 7 ft markets and frozen food manu- up to 12 ft at 1 ft intervals. Cold is building up to the U.S., where the sensors are used in instrufacturers, the design criteria are stores can be constructed up to ments manufactured by Lynn sald to take into account the 24 ft high and almost any Products. Other applications coming along include. the monitoring of inerting gas in regulations and requirements length and width can oil tankers, engine exhausts, metal treatment atmospheres.

and anaesthetic mixtures in operating theatres. The company is also adapting the basic technology, to the manufacturing development. monitoring of other gases and The sensor is an electror bas under development a carbon chemical device, baving much in monoxide sensor (in co-opera-common with batteries and the size with the sensor (in co-opera-Board) for safety and fire

All fine aeratable, powders

powdered chalk, clay, carbon black and similar substances,

ing the mixer under licence from the NRDC, original

development work having been

carried out by Warren Springs

from

The company is mannfactur-

and ... colourings,

# • HANDLING AND STORAGE More racking in the warehouse

world.

to bave a single gangway in a storeroom or warehouse, a wheels powered mobile racking system offers a great increase in

density, claims storage Mobilrax, Unit 1130, 41 Norwood Road, London SE24 9AJ (01-674 0131). The system basically consists of powered base units constructed of rigid lattice beams connected : to

precision engineered axle hogies, and a central control panel. Bases run on tracks set flush into the floor and are powered

erected by unskilled labour

IN THE late a industrial weigh

scales offored by Salter Indus-trial Measurement. George Street, West Bromwich. West

wbicb there are no wearing

Bearings are replaced by

stainless steel flexible elements

giving a rugged and accurate system in which the cell is pro-

tected from damage by sbock

The platfnrm, which can be

up to 3 .x 3 metres and can

loading.

and

BECAUSE IT is only necessary by two or more electric, full reduction geared motors linked directly to flanged and plain

Maximum load per wheel is 12.5 tonnes and, depending on the type of racking used and the number of bays employed, the maximum load per hase can be in excess of 175 tonnes.

The control panel incnrporates a time-saving random selection device which, at the push of a button, moves the appropriate bases to reveal the required aisle - with other systems, says the company, the bases have to move through a

There are facilities within the

K2 range, says the company.

for multi-temperature applica-

tions, where meat, vegetables

and dairy produce are stored

complete opening and shutting cycle before the required aisic if toppled Safety features include

erected elsewhere.

hammers.

easy of access.

The machine is able to swing

its telescopic boom through 360

degrees and the boom can be

extended to nearly 42 feet in

reach into areas that are not

machine con be used in hlasl

furnace maintenance, for remov-

larly suitable for removing loose

rock from roofs and walls.

In the steel industry

emergency stop buttons on all bases in addition to the general stop button on the control panel; fail-safe safety skirts fitted in sections on either side the lases trigger limit of switches and hring the moving

basea to a halt when obstructed. Units are designed to accoumodate all types of racking and shelving systems and ao give freedom of choice of equipment most suitable for a particular application, says the company.

Particular advantage, howover, is that the V-20 bas been constructed with a reinforcing ring round the shoulder so that, should the container be toppled. the lid is still kept clear of the ground. Additional security is

• PACKAGING

Stays tight

increases in basic polymers, a

plastic shipping container has a

Northants NN16 SUY. (0536

promised by the fitting of the Many data id with a neoprenc gasket. Cylindrical container haa a 20 litre capacity and is designed, says the enupany, for the safe paths transportation of most chemicals, oils, powders, foodstuffs and water-based paiots. provided

# SECURITY Small chips from film

FOR THE destruction of microfilm, microficbe, jackets, X-ray film, and other similar materials, is a shredder called Micro 7 available from Portable Factory Equipment, Summit Works, Smith Street, Hockley, Birmingham B19 3EW (021-554

The unit is designed for high

graph X9 sbredder from Ofrex, are provided by a single coavial cable network which uses VHF Ofrex House, Stephen Street, London W1 (01-636 3686) which has a cross cut action which, in seconds, is said to reduce a sheet of paper to many thousands of minute and

illegible fragments. Shredded documents, including technical data or telex messages, are ejected from the data channels. quietly operating machine into an integral metal container which is easily removed for frequency division multiplexed emptying.

# **G** SAFETY **Better** gas detector

GERMAN company. Bieler or the cable to communicate Lang GmbH, Oberkirchstrasse 21, D-7390 Achern/Baden, rethe development ports flammable gas detection equipment which uses a mixed year. sinlered oxide semiconductor sensitive clement.

Withenshawe Division, Simons-war, Wythenshawe, Manchester, No further details of the chemistry of the element itself M22 5LA:

are released, but it appears to have two advantagea: it needs to be heated only to 240 deg C (double this figure is more normal) and it is also resistant to the build-up of atmospheric incrustation. A heating coil raises the tem-

هكذا من لثلمل

perature to the correct figure DESPITE THE current price and if the air moving past it contains flammable gas the clectrical conductivity of the semicost advantage over standard conductor material increases. ateel containers, says Thurgar Bolle, Telford Way, Kettering, Two alarm thresholds are provided, pre-set by potentlometers in the electronics unit,

FORD MOTOR Company is to

have a Ferranti Videodata co-

axial cabling system to carry the

in-plant data communications

tenance control, quality report-

ing, assembly broadcast and hot

These require data communi-calion paths between each com-

puter and some 150 associated

terminals which may be printers.

visual display units, or repro-

grammable controllers distri-

buted over large areas of the

The data communication paths

using the lower half of the cable

of these are being used in the

Autopoll is a time division multiplexing system which uses

with up to 250 terminals no one

data channel at data rates of up

to 48 kbytes/second. Full nnerg-

tion will be by the end of the

061-137 5391.

The

transmission techniques.

engine test.

network.

network.

and there are also open- and damage to cables connecting • TEXTILES sensor to electronics. Fast dyeing

• COMMUNICATION OF Fabrics A NEW jet dyeing system inr both woven and knilted fabrics has recently been developed in Britain by Platt Longelor (Dewsbury Road, Leeds 1811

11

**Property** 

development

is part of...

total capability

01-235 9951

Norwes!

Holst

5LH. Tel. 0532 709831). The Uoiflow can he built with np to four inclined pressure vessels which are linked to give bigger batch processing. The chambers are made from molybdenum stainless steel and can dye at temperatures up to

traffic at the company's engice plant at Bridgend, South Wates. 140 degrees C. When dyeing, the fabrics are The new plant will be equipped with a number of comin rope form, but they are subjected to only the lightest of puterised control and monitoring systems: these include machine tool monitoring, maintension.

As with all recent dycing machinery developments over recent years the main emphasis of couloment is to a celerate dveing as much as possible and onserve the energy required for heating, cooling and power-ing the machines, while wafer consumption needs also to be minimised. All these require-ments are accompanied in the new Uniflow machine which, while using only a minimum quantity of water has a very high liquor Interchange towards the front of the vessel, which ensures that the goods revolving data transmission is full duples. within the chambers are constantly moving in the right handwidth to transmit in one stantly moving in the right direction and the upper half direction and being noened and preventing

the handwidth to trans- rearranged. mit in the other, each hand crease formation. being being divided into many Goods-to-liquer r Goods-to-liquer ratio is held 'o a minimum and can be as low as 1:5 which not only reduces Two types of data transmission system are mixed on the Ford the amount of water heing consumed, hul also makes One is a simple effluent disposal that much less. This also refiects in more system which enables a small economic dye cycles. Allbough low liquor ratios computer to communicate with a few printers. The other is the Ferranti Autopoll system: three

normally give super or dvestuff exhaustion and cleaner dyeings it is possible, in certain conditions, to rinse by overflow and this is a facility built into the machine and which is availab'e simply at the touch of a switch on the control oanel: Uniflow is a machine built for shart cycle dveings and lends ideally to sampling itself systems which can be operated Ferranil Computer Systems, solity and effectively al any temnerature-to the maximum -cven while the machine is under pressure.

NO BELTS or chains-often, underneath to complete a loop, causing the clanking and Vital feature, says the com clamour in factories using many conveyors-are involved in a conveyor system called Polly-Braid from Alvey Conveyor of nhury (76-86176). Looking like conventional

stems with steel rollers and side fences, the conveyors are driven by braided rope running on pulleys, negotiating bends curves, and returning of conveyor systems.

and more reliable.

Multi-role Industrial weighing deflection of ouly 0.013 mm and excavator the accuracy is described as

be

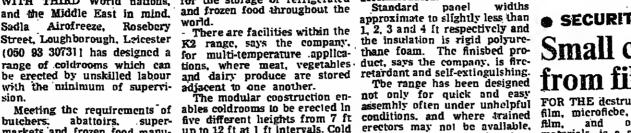
being "up to 0.02 per ceot." An launched associated digital display unit Midlanda B70 6AD (021-553 can be located to suit the user 1855) a single load cell is and is equipped with an auto-activated by a lever system in matic push-button tare facility. LATEST OF the multi-purpose telescopic boom excavators to be Salter has also announced the built in the U.S. by Warner and availability of a new counting Swasey is to be marketed in the and weighing unit, the Electro-scale 905. This has its own UK by Blackwood Hodge of 25 WLA 4AX. small platform for capacities up to 20 kg, or it can he used with It will be known as the GS80 1. Gradall and offered for the weigher to give a weighcount facility with a grass capacity of 10,000 kg. Up to a industrial applications, particu-

larly in the steel and mining million parts can be counted at Industries. Altachments avail-able include scaling and ripping the touch of a button, to better accept up to 15,000 kg, has a than 1 per cent. hooks, excavating buckets and air or hydraulically operated

Conveyors driven by rope

pany, is that far fewer motor drives are required for the whole system, which cuts both original and maintenance costs yet renders the system simpler

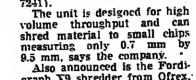
> Use of this single drive elimi-ing ladle linings, hendling sing nates complicated separate and so on, in mining work, the driven sections at corners and excavator is said to be particubends, hitherto a normal feature



London

4422).

but also to allow for the plant to be dismantled, enlarged and



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Amey Roadstone Corporation are the UK's biggest producer of aggregates, and they have

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finalists in each country will be

protective clothing, since there for imposing on staff the need

for high standards of personal

appearance. The ultimate decision of course rests with the

The situation as far as em-ployees are concerned can be

somewhat confusing. Benefits

in kind, in general, are not tax-

able if they are related to ex-penses which are wholly necessary and exclusively in

connection with one's employ-

ment. This presents no problem

for uniforms and protective clothing, even if the employee

wears his overalls while clean-ing his own car. With suits it

is a different matter since they

local inspector of taxes.

# THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

ON THE face of it medical research. de-greasing and turkeys would seem to have nothing in common. They do, however, have a connection in that they constitute the activi-ties of the three UK finalists of the European "Compaoy of the Year" competition which is being held concurrently in Britain, France and Germany. Britain is the first to have

· · · · · · · ·

Britain is the first to have reached the semi-final atage in its home heat and the sponsors of the UK end of the competi-design-alighted on a combina-tion of activities and personalities ideally suited to represent entreprencurship in its different forms and to compete against the French and German finalists. The competition does not carry a cash prize but, instead. an offer of up to £100.000 of financing on normal commercial terms.

Perhapa the most unusual of the British finalists is Simhee Research, an lodependent and privately-owned laboratory of about 20 he has a turnover of which does both contract over £200,000, more than 80 per

# Research, de-greasing and turkeys

cent of which is represented by research and academic research. Based at Merihyr Tydfil, in Wales, it was incorporated as a company in 1975 by Dr. Mansel Aylward, his wife and Dr. Jeffrey Maddock. They had heen carrying out research on an informal hosts since 1971 overseas contracts. Another figalist has the eye-

Another noalist has the eye-catching name of Greaseaters. Based at Colchester, in Essex, this company was started only eights months ago by eights months ago by Christopher Salter. What he spotted was a gap to the market for machines that cleaned an informal basis since 1971. In true enterpreceurial atyle Dr. Aylward started his laboragrease off machinery and tools. He says there was only one comtory by mortgaging his house, and arranging a bank overdraft. His laboratory is still in buildpany with a product comparable ings erected in his back garden. to the one he now sells and that was American and only leased though he is hoping to move to machines. He decided to set up his own company to manufacmuch larger premises to accom-modate the increasiog amount ture a cleaning machine which he sells outright to engineering of work he expects to be handling. With a current staff of about 20 he has a turnover of companies. garages aod similar concerna.

replacing every aix weeks or so. He, therefore, has a continuing husiness with each machine he

sells. The third finalist is Hockenhull and Hayes. This agoin is a very young company started only ten mooths ago hy Mr. P. Hockenbuil and Mr. G. Glass-Hockennuli and mr. G. these sents. Theirs is essentially an example of highly successful marketing (as, indeed, is Greaseaters). For what they saw was a need for marketing turkeys, particularly to the estaving tode catering trade. product Their main

BY DR. DAVID CARRICK

The advantage of his product, Goormet Turkey Breast, which described as however, is that it requires a is packaged in a turkey shape nationalistic. So cleaning agent io specially but comprises nothing but there has been designed drums which need turkey breast—thus avoiding similarity in that turkey breast-thus avoiding any wasted bones. Other parts, like wings and legs are also marketed separately. The two men currently import their product from Norwatern Turkey

Nicholas Leslie on the three entrepreneurs in the semi-final of 'Company of the Year' competition

Products Inc., of the U.S. Hockenhull and Hayes market to both the UK and ovarseas calering trades. When the competition got under way last year one of the

things that seemed likely to emerge was an insight into the emerge was an insight into the Frogramme the or final with ment capital. different qualities, if aoy, of be televised on May 21 and in The French panel includes M. embryonic and small com France by Anteooe 2 television. Laurent Boix Vives, head of panies io each couotry and any characteristics which could be lave baen dooe by each spoosor, have around 20 per cent of tha is

particularly far, though, scrutinised by an independent panel of judges and it may he there has been a surprising similarity in that the number panel or judges and it may be at this point that differences in approach to choosing ostional winners will emerge. For while there are just three judges in the UK, there are seven in France and eight lo Germany of entrants has been not dis-similar and the numbers which each sponsor has said it is pre-pared to make cash offers to is roughly the same.

The British judges are Sir Jeremy Morse, chairman of Lloyda Bank, Mr. Tom Lyon, In addition to Development In addition to Development Capital, the sponsora are Sofionova, S.A., in France, and Deutsche Wagnisfinanzierungs-Gesellschaft, in Germany. The competition is helog featured regularly on BBC 2's Money Department of the UK Sind will immediate past cheirman of the CBrs Smaller Firms Council, and Mr. Hugh Armstrong, managing director of Develop-Programme (the UK final will be televised on May 21 and in ment Capital.

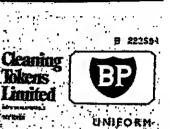
**Cleaning tokens** 

to suit the job

world market for skis and which has been at the forefront nf changing technologies in this market. M. Boix Vives has built the company up from very small beginnings in the past 26 years. Other French judges include M. Yvon Gattaz, head of Radiall, an electronic components company, and Mme. Anette Roux, who has considerably expanded Chan-tiers Beneteau, a company making small sailing boats founded by her father. M. Chuldian Machael of rounded by her father. M Christian Marhach, head of Sofinnova, is on the panel. Amoog those on the German panel are Heinz Minder

محمد بالمراقع المراجع الم<u>تسوك في من المراقع من معمد م</u>

Among under on the orthogonal panel are Heinz Nixdorf, who founded the large computer company bearing his name, Dr. H. Zapp, a member of the executive board of the Deutsche Bank, Dr. Heinz Keller, presi-dent of the Envanheiter Geselle dent of the Frauenholer Geselleschaft, a well-known research establishment, and Achim Stochr, managing director of Deutsche Wagnisfioanzierunga. Herr Volker Hauff, the German Minister for Research and Techoology, will be the guest "moderator" in the event of a the guest tie-breaker being required.

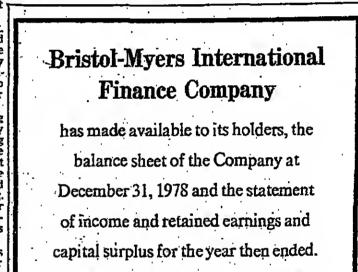


and the set The employer should show the

issue of these tokens as a benefit in kind but it is up to the employee to point out that they are being used in connection with his job. Having a sult cleaned twice a year might be accepted as a justified expense, although some employers may issue more than the revenue might consider justified.

This is just another example of bow the provision of employee benefits is proliferating. How long will it be before the idea of hairdressing tokens-for men as well as women-is demanded?

Cleaning Tokens, 30. Bancroft, Hitchin, Herts SG5 1LE (Hitchin (0462) 54658.



#### **EXECUTIVE HEALTH**

THE wealth of an organisation is dependent upon the health of those who work therein.

I do not mean that every employce. from the highest to anecimen before profit from his endeavours can be accrued.

But I do postulate that an average collection of employees cannot give of their best, cannot realise hidden potentials, if thair accommodation and envircomeot are inexpedient.

Sufficient light, adequate ventilation and satisfactory beating are obvious pre-recuisites for proper productivity. But the amount of anace and the type of accommodation suited to particular individuals and their propensities often receives far too little attention and consideration by those who plan in an impersonal fashiou.

Space is a problem that is ever with us. The stoutly con-structed, red-brick lunatic asylums of the early Edwardian period have defied alteration for mndern-day needs, althnugh huge sums have been wasted hy the NHS in forlorn attempts to achieve the impossible. Officehlocks have similar problems. Roofa cannot be raised: major walls can rarely be moved without structural risks; windows may be enlarged but not shifted concerned, the snags are legion. far.

In some cases it is possible which is the sum of a multitude to remove all internal obstacles of varied and variable sounds, and provide an open-plan. lends to be most disturblog in system. This method has many, particularly in areas enjnyed a vogue both in rela- where imaginative work is tively new bulldings and In very required. much older ones. The system is.



M

... the semi-open-plan system

perhaps, of value under certain can be no generally acceptable But where temperature level, circumstances. individuals, selected for their problem involves alr circulation. enterprise and intelligence. are ff the person farthest from the window is suffocatingly hot, he is unlikely to maintain friendly There is no privacy. Noise. relations with the senior man

In the wastes of Siberia.

Then there is heating; there Between this system of open-

Office planning—much

plan and of poky offices comes a compromise which, in psychia-tric terms, can only be regarded as obsessional. This is the semi-open-plan system, in which wide areas are half-broken by glass or hardboard partitions. As illustrations of minds incap-able of firm decisiona such able of firm decisiona, such plans are illuminating: as pro-ductive areas, they lack the value ebtained either by full publicity or complete privacy. Naturally, the fiercest argument against sane planning is financial. To have separate offices is expensive, But. in many cases, to fail to do so is more expensive. Take four people, each of whom is sup-posed to be a creative thinker, cram them into a small room, and then add two noisy typists. Little good will come of this. No gardener would sow seeds so densely and expect a crop other than tares. Multiply the

numbers many times and use open plan: again, the harvest is unlikely to be worth the reaping. Until such time comes when

IONICU office complexes are easily, purposefully and adequately mutable-like some portable bospitals-the next best solu-tion is offices where the accom-Another modation is partly individual and partly open-plan and to appoint a sane and unbiased Individual to allocate and decide who, having selected the desk which form of space is most suitable for the needs and peculiarities of these indivi-duals. Only then can the with most daylight, has no intention of sitting by a window which is open to blasts raised greatest benefit be reaped from expensiva stock.



THE obligation to look smart and well groomed is a necessary presequisite of many jobs. Often the employee wears a company uniform — the postman, the London Transport inspector, the airline pilot, or it could be protective clothing, such as an oil tanker driver's overalls. But in other cases a suit or dress can be as much a necessary uniform as overalls or a braided jacket. Some jobs are by their nature

dirty—the surveyor on a build-ing site for example. Just work-ing in the centre of London or a major city makes any sort of clothes dirty very quickly. So if employees are to look reasonably smart, they need to bave their clothes cleaned regularly. If such cleanliness is a condi-

tion of employment, then there is a strong argument for the company to meet reasonable leaning expenses. For one thing, regular cleaning will anyway extend the useful life of uniforms and protective clothing.

Many companies have for everal years followed a practice of paying for certain dry cleaning expenses incurred by their staff in their work. But leaving It to the individual to

get clothing cleaned, and then claim the bill as expenses, was foun dto be a time-consuming administrative chore. Having clothing cleaned in bulk with one cleaning firm was too rigid, since many employees wear their uniforms to and from work Sketchley, the dry cleaners.

realised that what was needed

BY ERIC SHORT The system operates are sound commercial reasoos extremely simply. The employer buys cleaoing tokens from the company and gives them to those employees entitled to use them. The employee pays by banding over the token. The cleaner sends off the tokens to. Cleaning Tokens Limited and is reimbursed by return of post. The tokens are: valid inde-

finitely, so are proof against inflation. The scheme bas heen readily accepted by the vast majority of cleaners—over \$0 per cent according to Cleaning Tokens, So employees should have little difficulty in finding a local cleaners which will accept tokens. Each token has printed on it the conditions under are not wholly and exclusively which it is valid, such as the necessary.

own validity conditions. About a year ago. Cleaning Tokens was approached by several of its clients inquiring

The principle is the same as

and one pair of trousers.

about a similar service for those of their employees who do not wear uniforms to cover the cleaning of suits, dresses and other litems of ordinary clothing. It came up with a scheme for providing tokens covering business suits and other busidess

cleaning of one uniform jacket In the words of Tim Knight, the scheme for, uniforms, and protective clothing bas "gone like a bomh," It is used by many leading companies and authorities, which have their own logo

printed on the tokens and theler

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was a flexible and easily administered system which enabled the employee to bave his clothing cleaned at a con-venient time, at a cleaners near to him, without making any actual monetary payment.

About eight years ago, two senior executives with Skeich-ley, Tim Knight and James Waddington, left the company, with its blessing, to run a contraint contained the separate operation. Called Cleaning Tokens Limited, and based at Hitchin, its main shareholders are three leading cleaners, Sketchley, Johrson Group Cleaners and Spring Grove Services. Each owns 17 per cent of the equity, the remainer is beld privately.

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Europe, avenue des Arts B-1040 Brussels, Balgium,

buys the tokens in bulk and dis-tributes them to employees, the tokens being valid at any time. The Business Suit Service is available for cleaning a two or three-piece suit, while the Business Wear Service covers either a jacket, a pair of trousers, a skirt or a plain simple dress.

The employer at present pays E1.55 plus VAT for a business suit token and 80p plus VAT for a business wear token. This covers the cost of cleaning at any time.

The employer can set off the cost of buying these tokens as a justifiable business expense, especially with uniforms and

to the Company. **Bristol-Myers International Finance** Company 345 Park Avenue, New York, New York 10022 Richard T. Kent Treasurer

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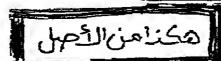
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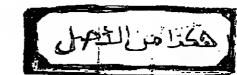
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# LOMBARD Target exchange rate problems

#### BY SAMUEL BRITTAN

14

IT HAS long been known that one. It avoids tortuous argucentral hanks cannot operate . ments over the exact definition both a money supply and an of the money supply, or the exchange, rate policy and period of time over which the eventually have to choose targets have to be met, let alooe between the two. Thus, if they adopt an

exchange rate target they must put their monetary targets on the shelf; and if they adopt a money supply target, they lose control over the exchange rate. Hence the Bank of England's recent agonies over intervection in the sterling market. These considerations have not

prevented the British authorities from having targets for both variables; but in the end they have been forced to abandon one or the other. In 1977 the exchange rate bad precedence for most of the year and was not abandoned until after a miniature monetary explosion. This which act winter and spring the monetary EUROPE targets have come first; and the result has been a rise in sterling

well outside the target renge. Suggestions are, bowever, being made thet the euthoritities should shift the emphasis to exchange rate targets instead. These come from several dif-These come from several dif-ferent directions. The Europeen mark in the first year diminish-Monetary System if it is to bave ing to 1 per cent at the eod of any effect at all, must mean five years. But here we run fewer and amaller exchange rate ageinst another snag. changes. City anelysts who dislike the gilt-edged and interest- standard, if it is not tied to gold, rate fluctuations of the lest few months have also suggested level objectives, and therefore e switching to an exchange rate set of monetary targets, which related financial policy. One could be adjueted with experi-such suggestion was made, for cnce, but certeinly not just instance, in a Phillips and Drew abandoncd. Some people may Gilt-Edged Research circular in think it beyood argument that March, which cited the switch Germany would give top priority from monetary targets follow- But few things are as obvious as ing last year's breath-taking they seem; and only last year spnreciation of the Swiss frenc. the German Government was An exchange rate objective prepared to put price stehility

sised, mean ahandoning mone- rising too much against the tary policy. If the exchange rate dollar. is to hold, monetary policy must be tightened or eased to ensure on a world-wide scale, for en that the suoply and demand for nth couotry which will always foreign exchange balance at the give priority to price level objecchosen level. Any other course tives and to which the others can would simply lead to the safely link. authorities being blown off Germany is not yet ready to course and forced into unin- occupy that role; nor are other

the Bretton Woods system. This said, during most of average of each others' currenmodern history an exchange cles. This would leave the infle rate standard has prevailed, tion rate free to shift (mostly Before World War I, the world upward) with each random was on a sterling standard. After shock to the system. So for the World War II, exchange rates time heing we are hetter off with were pegged to the dollar. An monetary targets with all their exchange rate objective is much faults, than with exchange rate more clear-cut than a modetary ones.

the choice of targets themselves.

But there are two very lerge probleme to he overcome before exchaoge rate targets could possibly make sense. First there is the old "nth country" prohem encountered when Presidant Nixon tried to devalue the U.S. dollar. If there are two curren-cies io the world, there can be only one exchange rate; and there must alweys ba one more currency then exchange rate. Thus for fixed exchange rates to

work, one curreocy must be pas-sive and allow the others to be fixed ageinst it—except in a gold staoderd world whare all the currencies are ticd to gold, which acts a super currency. In the European context, there

are obvious attractions in designating Germany as the nth currency egainst which other curencles would fix their terget exchange rates. There could, for instance, be e maximum move-

The country which sets the must itself have stable price does not, it should be empha- at risk to prevent the mark from

There is no obvious candidate,

tended devaluation and revalua- countries really ready to tie tion, as in the closing years of their exchange rate to the mark rather than to a weighted

strate how persistent and per- tice under the Ser Discriminastrate how persistent and per-vasive is sex discrimination in the field of employment in doing just that, but for the fact Britain. This is largely because that section 6(4) of that Act Parliament, in the spate of says that the prohibition social legislation over the last egainst unlawful sex discrimi-four years, has consistently nation does not apply "to treated the retirement of men and women differently from retirement." social legislation over the assi four years, has consistently treated the retirement of men and women differently from other aspects of employment, and more significantly has applied for retirement purposes retirement." Case 2: MacGregor Wallcover-ings t. Turton

ings t. Turton Mrs. Turton was employed by a company which medc her redundant at 57. The emount of the redundancy payment which she was entitled to under the company's generous redundan age differential between men and women. Pensionable age for the purposes of national insurance and social security. for example, is 65 for men and 60 for women; entitlement to ancy scheme was the same ae that which would be received by a man of the eame ege and circumstances, with ooe vital redundancy payments likewise eases if hefore the relevant dete a man reaches 65 and a woman exception. The redundancy scheme pro-

The three cases illustrate posed by the employers in negotiation with the trade union how varied are the instances where the legisletive discrimiincluded provision for certain netion relating to retirement has its impact on incidental additional payments, example, in respect of juvenile aspects of employment. service, in respect of juvenue service, in respect of adult ser-vice and for age. Between the ages of 40 and 49 there was to he an additional four weeks Case 1: Roberts v Clevel and Area Health Anthority The area health anthority. pay; hetween 50 and 59, an additional six weeks' pay; and—here came the rub—over the age of 60 an edditional 10 weeks' payunder. guidance and solvice from the Department of Health and Social Security, dismissed Mrs. Roberts because she hed reached the normal retiring age It had escaped the authors of

the scheme, however, that a problem arose because women of 60 for women lald down hy the authority. A man employed in a similar capecity woold have been able to work until 65. were compulsorily retired at 60. have been able to work until 65. but men not until 65. turned on the words "in rela-That policy had been endorsed Mrs, Turton complained that tion to death or retirement." by the Department. Wes the beceuse she could not work Mrs. Roberts complained that

THREE cases before the Court euthority thus indulging in an of Appeal last week demon- unlawful discriminatory pracreduodant would receive. Mrs. Turton sought revision of the scheme in order to increase her entitlement to addi-

## THE WEEK IN THE COURTS BY JUSTINIAN

that, consistent with the provi-sions in The Equal Pay Act 1970 and in the Trade Union and Labour Relations Act 1974 (as ential in retirement ages at all. ential in refirement ages at 21. British Rail allows its male: employees free travel facilities with their wives (or, on death their widows) and depeodent children. The entitlement to this benefit continues after retirement. A woman employee obtaine deployee facilities during well as the social security legislation). Parliament proceeded on the footing that it was sound social policy to provide different obtains similar fecilities during rules for men and women m employment, but after retire relation to the age of retiremant ahe loses them. Thus the discrimination operated only mant. The reasoning behind this was well put by Mr. Justice Phillips after retirement. Was this arrangement similarly caught by the escape clause in section who nntil recently was presi-dent of the Employment Appeal 8(4). Ser Discrimination Act 1975?

Tribunal. He said: "It reflects tha longstanding course of social legislation going back 37 years to 1940, to the Old Age and Widows Pension Act. For many Which, if any, of the three women succeeded? Everything years employers have made all their arrangements upon this

# after 60 she would never have the area health authority was basis. Pensiod funds are so Mrs. Garland's case presented been able to qualify for the 10 not allowed to dismiss her be organised, recruitment is so the one most likely to escape weeks' additional pay that an cause she had reached the retire organised, and everything is the clutches of the provision employee over the age of 60 and ing age for women. A man in organised on that basis.

the same circumstances would have been allowed to stay on. Mrs. Roberts argued that only matters consequent upon death or refirement (such as pension arangements and allowances) were covered, and therefore not to be treated as discrimination. increase her entitlement to addi-tional payments within the two lower age groups. Case 3: Gorland v. British Rail Mrs. Garland's case produced in employment. Both the Indus-a potential sex discrimination; triat Tribunal and the Employ-that was not based on the differ. ment. Appeal Tribunal found

See. 9

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THEATRES

. . . . . . .

Sex discrimination after retirement age While adhering to the ruling in Mrs. Roberts'a case, Mr. Justice Phillips thought that

If Mrs. Roberts's case was concerned directly with the age of retirement, and therefore apparently, caught fair and square by the statutory dif-ferential in retirement ages for men and women, that could not be said about Mrs. Turton and Mrs. Garland. In Mrs. Turton'a case, the two lay members of the Employment Appeal Tri-humal (Mrs. D. Ewing and Mr. W. Sirs) thought that it was right to look at her problem from the point of view of em-ployment and not merely that of retirement age; hence she and her fellow women em-ployees were being unlawfully If Mrs. Roberts's case was decision was directed only to those arrangements made by the employers to make proviaions for retirement. Pensions aions for retirement. Pensions are the prime example; they are directly and necessarily linked to the fact of retirement as provisions for ensuring financial protection to those ceas-ing to work. There are, how-ever, other things which follow on retirement but are not an aspect of retirement aspect of retirement. aspect of retrement. Continued membership of the company social and sports club is an example. If such a privi-lege were restricted to former and her reliow women em-ployees were being unlawfully discriminated, against because they were not entitled to a redundancy - payment which incorporated an element of ad-

ENTERTAINMENT GUIDE

THEATRES

male employees, and women were excinded, the latter could claim unlawful sex discrimination. Hence Mrs. Garland's case of a denial of a privilege ditional pay to reflect the value of years immediately preceding retirement of free travel facilities to ber family after retirement came Mr Justice Phillips adhered within that category, and she won before the Employment to his earlier ruling and felt that it determined the case

Appeal Tribunal. But last week the jndgment was overturned in the Court of Appeal. The Court of Appeal that it determined the case against Mrs. Turton. He did not think that the employers had introduced a discriminatory element at 60, by instituting a scheme that unduly favoured those (all men), who were lucky enough to be able to work after the age of 60. Any other conclusion would brand as unlawfully discriminatory some benefits payable to an employee over the age of 60. found that all three women had I heen discriminated "in rela-tion to retirement" and so ; were excluded from the law's i protection. But all three (two of them supported by the Equal. Opportunities Commission), will plead their feminist cause before the all-male judiciary of the House of Lords.

Young Cauthen sees some strange goings-on

crowd plenty to telk about.

For Steve Cauthen, end for a host of reporters and ABC television men from America on hand to see his English debut, the goings-on could bardly have been more perplexing. An arthritic pony almost twice Cauthen's 2ge, a blown amplifier, pouriog rain aod stuck cars, pedestrians and starting stalls were the main

ingredieots of an afternoon which the ABC crew, and many people, will long other remember.

The trials and tribulationsgiven a touch of farce when a 35-year-old pony owned hy the groundsman careered down the course, only to he whistled back uoder the rails-were endurable for the simple reason that Cauthen was at last in action. Those who expected that a strange environment, the odd conditions and a particularly tricky course would be too much

# RACING

Universal with a heautifully timed late challenge to land the opener, the Grand Food Stakes. Steve went some way to confirming bis uncanny judgment of pace (he can time a furloog in a-fifth of a second) and showed remarkable balance on

same tactics when bringing Ring Lady into second place close

There was certainly no ques tion about Lake. City's superiority in the colts' trial. used on barely a handful of superiority in the colts' trial occasions in his successful Making nearly all his own run-

> unaware, owing to the blown amplifier, that any running was heing done-Lake City surged past the post in a sea of spray and mnd three lengths ahead o Trihal Warrior.

The grass has vanished.

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A CHAPTER of totelly unfore- for 18-year-old Cauthen were home in the 1,000 Gnineas Trial, seeable incidents at Salisbury on at once proved wrong. I thought Tudor Maid won on A CHAPTER of totelly uniore for loyearous wrong. I thon seeable incidents at Salisbury on at once proved wrong. I thon Adoption tactics totally merit. Adoption tactics totally foreign to those teught to any young rider in America and

pursuit of 1,000 winners at ning-in fact trainer Ryan Price bome, Cauthen brought Marquee and many more were elsewhere,

8Y DOMINIC WIGAN

a lengthy colt racing in sloppy conditions on an undulating and cambered track. Although some felt that Cauthen rather overdid the

Both Lake City and Tudor Maid drew 33-1 quotes for the 2.000 Guineas and 1,000 Guineas respectively. A postscript to a particularly trying day for Washy Hibbert clerk of the course-all the lawns will have to be resown

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JEFFORD FILLIMENA by Edgardo de Fillipo Directed by FRANKO ZEFFIRELI Society of West End Theaters Award COMEOY OF THE YEAR "JOTAL TRIUMPH" Eve News. AN EVENT TO TREASURE O. MIC" MAY EVENT TO TREASURE O. MIC" MAY IT FILL THE LYPIC FOR A HUNDRED YEARS, "Studay Jimes. VICTORIA PALACE, CC. 01-826 4735. Evin, 7.30. Main, Wed. and Sit 2.45 STRATCOL JOHNS ANNIE MUSICAL, DaOY Main, Best musicat of the year. 1976 BennieD Standard Drama Award

VAREPOUSE. Dommar Theatre, Cover Gardeo. Box Office 835 6508, Rol Slakespeere Co. Wed. Theirs. Sat 7. Howard. Brewton's THE CHURCHE PLAY. Pone of the best English. old of the last ben wears. S. Times. All set 52. Students 11 Dookable in Advance, Ad blas. Aldwrich.

WESTMINSTER. CC. 834 02 THE WORST OF KENNETH ROBINSON Opens Apr. 25. BOOK NOW. Only Performances. 52. 53. 54.

Performances 24, 13, 14, WHITEHALL CC, 01-950 6692-7765 Monday to Thurs, 8,00, Fri, and Sai 2:10 and 8:50. IPI ToMBI The Ahrican Musical Explosion -A puisation riot of Dance and Song. FOURTH ERSAT YEAR

WINDHILL CC. 487 63123 Nightly at 8.00 and 10.00 Sendar 6.00 and 8.00, Paul Raymond presents RIP OFFI The erotic experience of the modera era. Now showing new second edition, pew girls, new acts, new production.

834 028

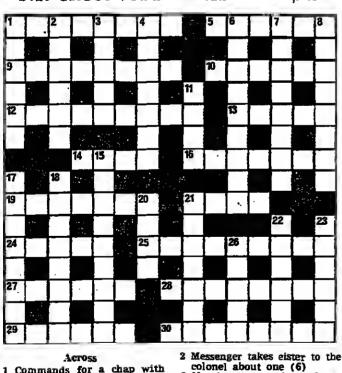
WYNDHAM'S. From 8.30 pm, 01-835 5028. Credit card bigs, 835 1071, Mon, Thurs, 8000. Fri, and Sat. 5.73, 8.30, "ENORMOUSLY RICH" MATY O'MAIler's smash-hit comody O'NCE 4. CATHOLIC "VERY FUNNY," Evg. News. "Corns or other and rollogion."

RRC 1

in black and white

6.40-7.55 am Open University The Womhles. 10.00 Jackanory. 19.15 Laff-2 Jackanory. 19.15 Laff-a-Lymples. 10.35 Country Search. 12.40 pm News. 1.00 Pehhle Mid. 1.45 Over the Moon. 3.15 Songs of Praise. 3.53 Regional News for England (ex-(as BB2 11.00 am). 4.20 All Regions as BBC Cheggers Plays Pop, 4.40 Baggy at the following times:

# F.T. CROSSWORD PUZZLE No. 3,943



1 Commands for a chap with engagements (8) 5 How we stand it in nude

disorder (6) 9 What the deh wants to do

for a man of property (8) (34) 10 Insects encountered in a 6 Egotism personified in the German river (6)

12 The meaning would, we bear. 7 Name that accurately des-he flotsam (9) cribes Kojak (8)

he flotsam (9) 13 Makes fast-days found in

November (5) 14 Competent associate of aea-

men (4) 16 Pasta for simplctone (7)

19 Listena alweys to gossip (7)

21 "And gentlemen in England now —— " (Henry V) (4) 24 Proper illustration reveals 17 Wreaths for fellowe holding

the danger (5)

the danger (5) 25 Sometimes a lemon mey be 18 I ran hard to find the ill-tempered old woman (8) the aclution (3, 6)

27 Noise in England is the con- 20 Still one finds something clusion (6)

28 Dramatist to atudy on the 21 The strange name given to verge perhaps (8) one Sower (7) verge perhaps (8)

29 Watch Bob on the way in (6) 22 Upstairs? Downstairs? The 30 Wager on Artist and Lay-

about? That's a give-awey

#### (8) Down

1 Illness that keeps 9 youngster 26 "From the Coogo or the ---- " (Mikado) (5) inside a month (6)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

6.55 Disco in the Snow. 8.10 Panorama: Who Killed Georgi Markov? .

9.00 News. 9.30 Boxing live from the Anglo American Sporting Club: Joho Conteh v

lesse Burnett. 10.30 Tonight end Campaign 79. 11.00 Most Wanted. 11.50 Weether/Regional News. All Regions as BBC1 except

3 Nearly everyone has a large

quantity 10 distribute (5)

Fleet (6, 3)

fortune (8)

transaction (6)

(4)

(4-5)

8

extension to couod receiver

Northern Ireland—3,53-3.55 pm Northern Ireland News. 5.55 Scene Around Six. 620-6.55 Hello Sunshine, 11.45 News and Weather for Northern Ireland. England-5.55-6.20 pm Look East (Norwich); Lock North

(Leeds, Manchester, Newcastle); Midlands Todey (Birmingham); Points West (Bristol); South Today (Southempton): Spotlight South West (Plymouth).

BBC 2 6.46-7.55 am Open University. 11.00 Play School

4.50 pm Open University. 6.53 A Death Reported. 7.10 Horseber. 7.33 Mid-Evening News 7.45 Grand Prix: The U.S. West

from Californie (hlgh-

8.10 The Mathis Collection starring Johnny Mathis. 9 no Ehoda.

9.25 Horizon. 10.15 Arena. 10.55 The Light of Experience.

11.10 News. 11.25 Closedown, reading.

LONDON

9.30 am Noddy. 9.40 Sinhad Junior Cartoon. \$9.45 "Appnintment With Venus" starring David Niven. 11.10 Untamed Frontier. 11.35 England Their England. 13.00 Choritoo and the Wheelies. 17 35 12.10 pm Pipkina 12.30 The Cedar Tree. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 About Britain. 2.00 After Noon Plus. 3.20 This Year Next Year. 4.20 Clapperboard. 4.45 Rainhow Moves House. 5.15 Nurse of the Year Thames Regiocal Final 5.45 News. 6.00 Thames At 6. 6.35 Crossroads.

7.00 The Kenny Everett Video

Show. 7.30 Coronation Street 8.90 Chalk and Cheese. 8.30 World in Action. 4 Nohleman gets order for 9.00 Best Sellers (part 1). 10.00 News.

RADIO 1 (S) Stareoghoold broadcast Madium wave 5.00 am As Redro 2. 6.00 Oeve Las Travis, 9.00 Simon Batas. 11.31 Paul Burnott. 2.00 pm Tony Bleckburn. 4.31 Andy Peebles. 5.30 Newsbert. 3.00 Andy Peebles. 5.30 Newsbert. 3.00 John Peel (S). 12.00-5.00 As Redlo 2. I'd rise to emphasise the mis-

11 Garden for Oriental to study Redio 2 15 Does not follow after service in a mean passenger-ship

Redia 2 Redia 2 RADIO 2 S.00 sm Nove Summery. 5.02 Tony Brandon (S). 7.32 Tarry Wogen includ-ing 3.27 Recrng Bullezin end 3.45 Pause for Thoughts (S). 10.03 Jimméy Young (S). 12.15 pm Waggoners' Walk. 2.30 David Hemilton (S). 8.30 Waggoners' Walk. 8.45 Sports Dest. 4.45 John Ounn (S]. 8.45 Sports Dest. 4.45 John Oung 1.20 News. (S). 9.45 Sports Dest. 10.02 The Monday Morre Quiz. 10.30 Sher Sound. Midnight including 12.00 News. 2.02-5.00 am You And The Might And The Music with Lan Jackson (S). RADIO 3 15.55 am Weather, 700 News. 7.55 detestable in Tibet (4)

maid is not in either place 23 A severe trial or business

AINULLIA 3.36 am The 2ubbiles. 9.40 Snooker. 10.20 Tarzen. 11.10 Country Comea West. 11.35 Weiking Wastwald. 1.25 pm Anglis News. 2.00 Houseperty. 2.25 Monday Film Matines: "The Barbarian And The Geishe" atomiting. John Wayne. 5.15 University Chellange. 5.00 About Anglis. 11.15 A Big Country. 11.45 Adama of Engle Likke. 12.45 sm A Reading for Holy Week...

12.45 am A Reading for Holy WORK-. ATV 9.30 am Something Difformant. 9.45 Galdening Today. 70.10 Autlin's Grad Masters Oarts Championship. 70.40 Table Tonnis. 10.55 Showyumpung. with Marvey. Smith. 11.25 Once Upon A Circus. 1.20 pm ATV Newsdask, 5.15 Give Is A Clue. 6.00 ATV Today. 11.75 For Better. For Worse (Second Time Arcund). 11.45 Barnaby Jones. BORDER

Arcund). 11.45 Barnaby Jones. BORDER 9.30 am Soto Ona. 9.50 Richard Pearse. 10.45 Clus Glob. 11.10 Country Comes Wast. 11.35 Walking Waszward. 1.20 pm Berder News. 2.00 Houseparty. 2.25 Maines: "Morgan—A Suitable Gase For Treatment." 5.15 University Challenge. S.00 Lookaround Mondsy. 5.20 The Sound of ... Diana Kirkwood. 11.15 The Love Boat. 12.30 am: Border News Summary. CHANNEL

News Summary. CHANNEL 1.18 pm Channel Lunchtime Naws and What's On Whera. 225 The Monday Matunes: "Untamed." 5.15 University Chailenga. 5.00 Channel News... 6.10 Untamed World. 10.32 Channel Lare News... 11.20 Tha London Rock. and News... 11.20 Tha London Rock. and News... 11.20 Tha London Rock. and News... 12.15 am News and weather in French Icliowed by Channel Ozzetta. CD a AMDIA NU.

GRAMPIAN 9.45 am Fraz Thing. 5.50 Terzen. 10.45 Jose 90. 11.10 Country Comess Viest. 11.35 Welking Westward. 1.20 pm Grampien News Haedlines. 5.15 University Challenga. 9.00 Grampien Today. 6.05 The Electric Theane Show. 11.15 Reflections. 11.20 Osoger in Pardure. 12.15 am Grampien Lute Night Naadlines.

GRANADA

GRANADA 9.30 am Seseme Street. 70.25 Surevel. 10.50 Elephan Boy. 17.15 Protum Sox. 11.30 The Baatles. 11.45 A Handiul of Songs. 1.30 per Oudo. 2.25 Monday Matunes: "Pins Canyon is Burning." 3.50 Wait füll Your Father Gata Home. S.10 The Underses Adven-tures of Captain Nemo. 5.15 Cross-roads. 6.00 Granads Reports. 5.30 Napoy Oste. 17.15 Reports Politics. 11.45 The Streets of Sao Francisco. HTV 9.45 am State on Ice. 10.15 George

LILV 3.45 am Stors on Ice. 10.15 George Hamilton IV. 10.40 A Resson lot Living. 11.05 Country Comes Wast. 11.35 Walking Westvard. 1.20 Report West Headines. 1.25 Report Weste Head-lines. S.15 The Undersea - Advan-tures ol Capitain Namo. 2.20 Cross-roads. S.00 Report Wast. 5.22 Report

Wind Music from Amolifini, Bristol (S). 11.25 Mozart's Requirem (S). 1.00 pan News. 1.05 826 Lunchinnes Contert (S). 2.00 Organ Music lor Holy Week and Estater (S). 2.45 Mathines Music lor X-(S). 3.45 New Records (S). 4.55 Bardstand (S). 2.52 Homeward Sound. 16.15 A: Homo: Imeriater and Sound. 16.15 A: Homo: Imeriater and Navies. 3.05 Altarmon Theatre (B). As Story Time. 5.00 PM: news maga-me. 5.50 Bhipping forecast. 5.55 Horzar Chamber Music lorm around 100. 7.10 Sir John Berleman postry reading. 7.30 The Art of Mary Garder. 2.00 Mozar Chamber Music concert. 3.00 Mozar Chamber Music and Sat-Mozar. pert 2. 9.50 Parmography and 10.30 Claudia Arau piene recital (S). 10.30 Claudia Arau piene recital (S). 3.11 S5-1200 Nove. WHF Only-6.00-7.00 am and Sat-7.10 pm Open Univonsity. 2.00 am News Aneling. 6.10 Farming Week. 6.25 Shibiping forecast. 6.30 Home Rum. 2.03 205 Showcast. 4.03 Home Rum. 2.04 205 Showcast. 4.03 Home Rum. 2.05 205 Showcast. 4.00 As Redio 2. 2.00 An News Aneling. 5.10 Farming Week. 6.25 Shibiping Iorecast. 6.20 Fisch Arau Backing 2. 10.00 As Redio 2. 10.00 As

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SCOTTISH SCOTTISH 9.30 am Statuthey Ark. 9.55 Nigh-land Capital. 10.15 Oany of Civilias-ton: 11.10 Country. Consis. West 11.35 Walking Avestvärd. 1.25 pm Hown and Iged and Amather. 12.25 Monday Metines: 3.4 Deal in Danger. Cossroads. 4.00 Sciniand Today. 6.20 Conservads. 4.00 Sciniand Today. 6.20 Conservat. 11.20 Firesida Theetra.

- SOUTHERN SJUIPLERIN 9.30 em Stationäry Ark. 9.55 Unite House on the Pririe, 110.45 "Abboli and Goatelio Mean Captain Kidd. 1.20 per Southain News. 2.00 House-party. 2.25 Mondoy Mannee: "Berlin Alfar." 5.15 Dick Tracy Cartoon. 5.20 Crossroads. 5.00 Day by Oey including, Southsport. 11.15 Southern. News Exits. 11.25 Police, Surgeon. 31.55 Farm Progress.

Extra. Th.25 Poince, Surgeon. The Farm Progress. TYNE TEES 9.25 am The Good Word followed by North East News Hardinas. 9.30 The Lost lelend. 9.55 Stars oo Ice. 10.20 Tstram. 11.10 Country Comes West. 11.35 Walking Westward. 1.20 pm North East News and Lookaround. 2.25 Monday Matines: Ther Jungle Love starning Dorothy Lamoul. 3.50 Beilay's Bird. 5.16 University Challenge. 5.00 Northern Lite. 12.15 am Epilogue. ULSTER 10.45 em The Secret Lives of Waldo Kitty. 11.10 Country Comes West. 11.35 Walking Westward., 1.20 pm Lunch-ume. 2.25 The Shape of Things. 2.55 The Friends of Min. 4.18 Ulster News Heeddines. 5.15 Certoon Time. 5.20 Crossroods. 6.00 Good Evening Ulster. 11.15 Holy West. 11.20 Compass. 11.50 Bodtume.

11.15 Holy, Week. 11.20 Company. 11.50 Bostume. WESTWARD 8.25 and George Hamilton IV. 9.50 Friends of Man. 10.15 Disappearing World. (11.05 Coontry Comes West. 11.35 Wilking Westwerd. 12.27 pm Gus Homybun's Birthdays. 1.20 West-werd News Heedlinks. 2.25 The Monday Metimes. 'Untamed'. strining Susan Hawwood and Tyrone Power. 5.16 University Chellenge. 2.00 West-werd News Heedlinks. 2.25 The Monday Metimes. 'Untamed'. strining Susan Hawwood and Tyrone Power. 5.16 University Chellenge. 2.00 West-werd Oisry and Sports, Teast. 70.32 Westwerd Late News. 11.20 The London Rock and Reil Show. 12.15 am Faith Ior Life. 12.20 West Country westher. shipping forecst. **YORKSPIRE** 9.30 am Untamed Frantiers. 10.00

YORKSHIKE 9.30 am Untamed Frantiera. 10.00 The Wotati from Wizzbang. 10.10 Tree Top Tales. 10.25 Myrraribus Island. 11.10 Childran in 1944. 11.25 Beach-combans. 1.20 pm Calandar News. 2.25 Monday Mattiase: "The Man. From Atlantis." 4.15 Cartoon Time. 5.15 University Challongs. 2.00 Calendar (Emby Moor and Belmont editions). 11.15 Bechman Turner Overdrivs. Family S51.,10.84Tyand mity new fava

LODIGON Broadcasting 6.00 am Morning Masks. 6.00 The AM Show. 70.00 Bhen Hayes. 7.00-8 pm LSC Reports with Georga Gale at 3 per. 8.00 After Eight 9.00 Night-line. 1.00 am Night Extra. Capital Radio 6.00 pm Braskfast Show (S). 9.00 Michael Aspoil (S). 12.00 Dave Cath (S). 3.00 pm Reget Scoti (S). 7.00 London Today. (S) 7.30 Open Line (S). 9.00 Nicky Home, 17.00 Lata Show (S). 2.00 em Night Flight (S).

7.30), Theatre closed Good Friday, With Linda, Taura, 8.00, Frt's Salt, 6.00, THE TAMING OF THE SHREW (low arise) 1. JESUS CHERIST, SUPERTAR Bread, Inda, 24 And, Bulgakory, THE Shrew (Linda, and Andrew (Lioyd-We) Write GUARD (Low, price press from ) ASC also at THE WAREHOUSE (see

ELLADIUM. CC. DI JUZ, 7373. CLIFF S. BACK RETAINS CONTRACT AND RETAINS OF THE NON- MADI-BOX OFFICE NON OPEN ANRASSADORS. CC., UI-536 1171 Tod. Price Previews from April 11 Mon-546 P m. OPANA April 21 87 P m Subst-err. P pm Fri arg Srt 5 30 8 9 31 DINSDALS LANDEN. DWEN WATFORC DAVID EURKE ANGELA DOWN HERENIX THEATRE. CC. 01:836. 7294. EDS. 6.00, Wed. 3.00. Sat. 5.00 and 8.30. DIAMA RIGG. DOWN THAW IN NIGHT AND BAY MIGHT AND BAY DIACTED by Peter Woods DIACTED by Peter Woods DEST PLAY OF THE YEAR Denting Standard Drama, Award

BODIES ... .... Special Perf. Good Friday S. pin.,

APOLLO THEATRE CC. 01-437 2683. Prev. Ap. 16, 17 5.0. Doene Apr. 18 7.0 Subs: Prz. 8. SAL 5.0 & 8.0. Mest Thur 3.0 IAN LAVENDER CNRUSTOPHER TIMOTHY - Bud JULIA POSTER, IN - Had JULIA POSTER, IN - HARPY DERTHIDAY A new Openedn by Masch Cumplett and Bywrity First, Mas Byboas of SOEING BOEING

A NUMER WAS A STATE OF STATE O

ARTS THEATRE, 01-836 2132, TOM STOPPARDS GURTY LINER Hulerfors See H." Sunt Times, Mooday, to Thursday 6.30, Friday and Saturday 7.00 and 9.15, 2 SHOWS GOOD FRIDAY PRINCE EDWARD. CC. 01-437 6877. Presings 8.00, Mats. Thurs., Sat. 3.00, by Thm Rice and Andraw Lloyd-Webber. Directed by Harold Prince.

CAMERIDDEE 01-836 COS6 C.O. opens Moz-Sat. 10 ap-13 ph. Sun 11 zm-7 pm. Craft D. PRICE PREVS Mom. Thurs 28. Fr. 6 Sat. SuD and 5. SU OPENS TOMORROW AI. 7 PM OPENS TOMORROW AI. 7 PM CRICAGO THE HIT BEOADWAY MUSICAL Group Bookings 01-437 S656. SPECIAL PERF. GOOD PRIDAY -6 pm.

CULENTS, CC. 01-734 1165. Bus LDS, Pri and Sat 2.00 and 2.45. "A DREAM OF A SHOW." END. NEWS. TOWNEY." END. NEWS. TO FATER TOWNSHENO and the WHO IN FATER TOWNSHENO and the WHO IN ALLAN LOVE. WISICAL WISI ALLAN LOVE. WISICAL WISI SPECIAL PERF. GOOD FRI. 25 2.0.

AL 7300, 9.00 11.00 HT OREAS. AL 7300, 9.00 11.00 HT OREAS SING. Paul Raymond Oreasens THE PESTIVAL OF ENTICA. Fully air constitiones: 21st YEAR. COMPERT THEATRE. CC. 01-930 2578. MOR-SEC T.O. Mats. Fr. 200 531, 8.30. THE ROCKY MOREOR SHOW DON'T OREAM, IT, SEE 17 Sact bars open 1 hr. betwee perts. KOYALTY. CC. 102-403 8004 Monday-Thursday evenings CoO. Fridan 530 and 8.45. Saturdays 3.00 and 8.00. BUBLING PROWN SUGAR NOW IM ITS 2nd GREAT YEAR Book by telephone-for the entire family. Easy particip.

CRUTERIGN, From B.SU. 930 3216. CC bies. 33C 1071. Frl. 384. 5.45. 8.30. No pert Frb. Exemps Standard Drama Awards GLOO JOO "Michaels Hastings, guick-witted farce on bow to become a vegal immigrant in one asay medding. Observer. "THE. 4057 HiLARIOUS PLAY FOR YEARS." Financial Times.

No art Go FA Joint Stock Th.Co M Caryl Churchill's CLOUD NINE

PUCKESS. 03-836 2245. Mon. to Thurs. Even. 8.00. Fil. and Sat. 5.30 and 8.15 . OHI CALCUITA Daily Tel. Minth Sementions Year.

DUKE OF YORK'S. CC. 01-836 5122. Evenings & 0 pm. Mats. Taure 3.0 cm. TOM Star. 5.30, 8.30 ELICITY COURTENAY KENDAL - 15 BLISS "Observer. MICHAEL FRAYN'S FUNNLESS PLAY." Daily refearant. No Perfs. Good Priday.

FORTUNE 836 2238 EVEL 8.00. Thur J.D. Saturdays 5.00 and 8.00. AGATHA CHRISTIE'S MURDER AT THE VICARAGE FOURTH GREAT YEAR

ARRICK. CC. 01-536 4601, EM. 8.00. (Sharp), Wed. 3.00, Stt. 5.30 and 8.50. DENNIS GUILLEY IN INA LEVIN'C New Toriller "THREE DEATH THAP. "THREE DEATH THAP. WERY INGENIOUS. VERY FUNNY MARVELIGUS ENTERTAINMENT." 8.1el. "VERY EXCITING." Fin. TIMES.

GLOWE THEATRE CC. DYAST 1992 8-15. Web 3-0. SHT. at 5-00. B40. SPECIAL PERK. GLOOD FRI. 8-18. STALIDON CHRISTOPHER STALIDON CHRISTOPHER TAM JOCKBOURN BASTON "ALAN AYCK BOURN BASTON HIS JUBBE COMPEND THAT WED. WHO

His latest comedy sparkles with with Now, "SPLENDIOLY FUNNY," O. Exc "IT'S A NIT. NO JOKING," S. Mirror HAYMARKET. (1-030 BET2 SPECIAL PERF. GOOD FRIDAY-BL DISS. 8-00. Wed. 2:51 SEC. 4-50. 8:00 KITA MICHELL HAMPEHIRE

KEITH MICKELL In the new SHERLOCK HOLMES MYSTERY THE CHICKER OF SLOOD by FAUL GIOVANNY "The kind of swelcest I cannot ret fince borhood ... Smrike stat." If He Easter, holder must for children Punch.

DIV. Jat. " MAKES YOU SHAKE WITH YOUNG VIC. 928 5363, Frm Apl. 23 Phi Woods' adaptation of CANTERBURY Woods' adaptition of CANTERBURY TALES retains for one week. LOOR BACK IN ANGER returns from May 1. . . CINEMAS ABC 1 and 2. Shaftasbury Ave. 636 0861, Sep. perfs. All sents bookable, 1. The DEER HUNTER CO. W/s and Son. 2.15. 7.30. 70mm Doby stores. 2. SUPERMAN. CAL WE, and Suns 2,00. 500, 8.10. AMDEN PLAZA Cander Town 485 2443 (orsh TDbe) MAX OPHLES MADAME DE (AJ. Pross. dally 2.05, 4.15, 8.30, 8.50. CLASSIC 1, 2. 3. Haymarket (Plocadily Circus, Tobe). OI -839 1527. 1. Gregory Peck, Lagregoe Olivier The BOY'S FROM BRAZIL CO. Progs. 12.50, 2.50, 5.30, 6.15. E. SIDI Anderson I NEVER PROMISED YOU A ROSE GARDEN (X). Pross. 1.30, 3.40. 5350. 8.00.

3. Instit Bergman, Lir Ufiman AUTUMM SONATA (AA). Progs. 1.40, 3.05, 6.10, PRIVICE OF WALES. D1-030 8601. Credit and bortangs 330 0544. Mon. to There. 2.00. filder and Sal. 8.00 and 545. ALAN AJCK SOURI'S suitathil comedy ESDROOM FARCE "If you don't faugh, sac ma." D. Exc. A. National Thesire Frydericion.

Visit our new American-style SODA FOUNTAIN RESTAURANT. Open 5.30-midnight. Table Diservations 930 1787. CLASSIC. 1. 2. 3. 4. Oxford Street. 856 D310 tops. Totterban Coort Rd. Tube. 1. Docald Sinteriand INVASION OF THE BODY SMATCHERS CX in Dolby State. Progr. 7.30, 3.50, 8.10, 2.30. 2. Solita. Kal. 4.25, 8.40. Forder 1.4, 2.15, 8.25. Forder 1.4, 2.15, 8.25. From J. 200 A.10, 8.25. 8.3. From J. 200 A.10, 8.25. 8.3. MEC. YEAR GAAL BIR BOTSIN SAME TIME NECT YEAR GAAL From. 1.30, 3.50.

CLASSIC, Letoester Square, 01-930 65915, THE MILLS HAVE ETED (X) Poter Barcaroth MR, SMITH 78. Progs. 12.50, 3.15, 5.40, 2.05

LEICESTER SQUARE THEATRE (830 5252) -THE PASSAGE OCL SED Bross Wids.1115. 4.45.8.15. All seets bibbe. Is advance at Bot Office or by post for 8.18 prog. Mon.-Fri. Lase 3 days.

ODEON LEICESTER SQUARE. (530 6111). Neil Simon's CALIFORNIA SUITE (AA). Sen. Perfs. Div. doors open 1.45. 4.45. 7.49. All seats block as box office or you post. Box Office orsen Mons.-Sets, 10.30 sm-8.00 etc.

DEON MARBLE ARCH W2. (723 2011-2) SPIDERMAN STRIKES BACK (UVTHE THIEF OF BACKRDAD (U). Sep. Progs. DIY, 2.36, 7.00,

PRINCE CHARLES, LeC. SC. 01-437 6761. IN PRAISE OF OLDER WOMEN (C). Sep. perts. Of. (Inc. Sun.) 3.10, 5.55. E.3e. Late Show Fri. and Sat. 11.15. Seats borkable. Liceused Bar.

CENE 1. Letter So. (Wardning St. 1430 4470. I NEVER PROMISED YOU' ROSE GARDEN (C). PROFILED & J.48. 6.00. 2.20. Late Show Fri. and Set. 10.40.

STUDIO 1. 2. 4. Oxford Circus. 437 3300. 2. Agathe Christlers DEATH ON THE shoat ALL TOES. 2.30, 5.25, 8.10. Late Santa Carbon From Sec. 1.26 3.40, 8.05, 3.25. Late Constant Toes. 1.26 3.40, 8.05, 4. The DEER OW Sat. 10.43. 4. The DEER OW Sat. 10.43. 4. The DEER OW Sat. 10.43. 5.11. Sp. Perfs. 0.11.20. Sents bookable.

ART GALLERIES

TAN ARP and HENRI MATISSE 1st March to 12th April, Daily 10-5:30. Sat. 10-1. Theo Waddington 25. Cork Street. London, W.1. 16. 734 3034

MALL GALLERIES. The Mail S.W.T. The Serreal Society of Painters. Sculptors and Printmakers. Delay Inc. Sums. 10-5. Uath 11 April. Adm. 200

GARGOYLE 65 Dean Street, London, W-I. NEW STRIPTEASE FLOORSHOW 11-33 MS YOU LIKE IT 11-33 MS Show at Midmight and 1 am. Mon-Fri. Come Saterdars. 01-457 8455.

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Friday

SHAFTESBURY: DI-BLE CSSE. CC. 01-BJE 4253. Ev. 7.45. Wed. & Sat. 4.30-6 C. JESSTE EVANS. ANNA SHARKEY. PERCY HERBERT. BUDDY ELIAS IN CANTERERITY TALES THE ORIGINAL AWARDWINNING Profess from Tho MISICAL OF & Sat. Evise 500 to £41. Come April 24 at 7.00.

STRAND. 01-835 2580. Evenings 8.00. Matter Thure 1300. Sett 5.20 and 8.30. SPECIAL PERF. GOOD FRIDAY 8.0 NO SEC FLEASE-NO SEC FLEASE-LONGEST ROWNING COMEDY IN THE

ST. MARTIN'S. BIS 1445. EVEL & Mat. Tame 2.45. Stl. Std Good Fri. S. R. AGAINA - CHRISTIN'S THE MOUSETRAP WORLD'S LONGEST-EVER RUN 270. YEAR.

TRATECHID-UPON AVON. Royal Shake-seer: Techtr (0783) 2277. Tickets immediately available for RSC is crimetely available for RSC is the secret of the secret of the secret the secret of the secret of the secret Associated booking into. (0769) 69191.

VAUDIVILLS. CC. 01-036 9888. Evel. 0. BIG. Week. 245. Stat. 500. 8.00 JEAN XENT 200 107CS ADRED DY AGATHA ANNOUNCED DY AGATHA ANNOUNCED A MINTAGE PHA CHRISTIE WHODINTEY - BURGAY PEODE A WINTAGE THE OF CHRISTIE WHODINTEY - BURGAY PEODE THE ST CONJURCE INTTY GAME BY THE BEST CONJURCE INTY GAME BY THE BEST CONJURCE INTIME. Figuration Times. Recruice bookings into. 70780 69151-Cymbeling. Amil 31-12, 13, 14

THE ARTS

The Marriage of

Coliseum

## Architecture

# Reviving redundant churches by GILLIAN DARLEY

There is nothing particularly church or chapel of ease within remarkable about the squat the Church of England winds its medieval church of Orton, near way from use to redundancy.

England places of worship, 740 churches have ben declared re-dimdant—many more lie un-tused, often semi derelict, awaiting their fate. There are only three course of action applic-able to churches declared pas-torally redundant; an alterna-Waily recunquer; an alterna-live usa, preservation, or demo-lition, and the time limit is three years. Orton and Little Oakley are cherig examples of the first course; since the end. of 1968 272 churches bave found new uses imming the found new uses, spanning the extremes between community, residential and light industrial In the case of Orton and Little Oakley it was the imagin-

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ation of one man which proview their continued useful life. Ten years ago Derrick Dunn, General Secretary of the Northamptonshire Rural Com-munity Council, visited Orton clurch and, spotting its fine Norman stone font, much the San Provide nist interesting feature in the billding, saw the potential of the church as a training centre for masons. Now the Orton Trust bas offered more than 1500 course places in the de-cade it bas ben in operation, running weekend short courses if the many specialist aspects of the craft-carving, letter catting, gilding, setting out-as well as the basic skills for ap-

Mell' as the basic skills for ap-mentices. The church provides the Dincese of Lordon between 1958 and November 1977. 46 country the Dincese of Lordon between 1958 and November 1977. 46 country the Dincese of Lordon between the Dincese of the between the Dincese of Lordon between the Dincese of Lordon between the Dincese of Lordon between the Dincese of the between the Dincese of Lordon between the Dincese of the between the Dincese of Lordon be 10 work was required on the con-version of the church, but the Appeal Committee raised £50,000 and Job. Creation, pro-1 vided an additional £25,000. In vided an additional £25,000. In this case the parish also gained considerably from the exercise: the chancel was partitioned of and remains as a chapel, given back to the parishioners. The Monument Trabaing Centre is funning its first course this spring, with eight sindents from the Croydon Conservation course. The Northampton schemes represent the best of

Kettering, It is not of outstand-ing architectural or historical demolition are somewbat merit yet. like tohusands of byzantine. A complex process others, it is the most important bulding, the landmark, in a Council for Places of Worship small, rather haphazard village in a gentle agricultural land-scape. A few miles away, near Corby, is the village of Little trowds up around its parish is then undertaken, this time church which, agalo, is a medi-built not distinctive. Since the Uastoral Measure of 1968 which defined the posi-tion of redundant Church of churches have ben declared re-dindant—miany more lie un-Kettering. It is not of outstand- and from redundancy to use or bolds 136 churches and chapels, with a further annual intake of 18 over the next five years. The fund bas aremarkable range of thur bas attended where the series of churches in its care—one of the most recent additions is Hare-wood church—but its limits are, obviously, financial. Allocation for 1979-84 is £2.9m, contributed 50/50 by the Department of the Environment and the Church Commissioners; part of the latter sum coming, ironically, from the sale of buildings and sites.... For many redundant churches the future is less rosy. In the past 11 years, 180 have been demolished — even listed churches are not immune... Vic-torian churches in urban set-lings are among the most tings are among the most vulnerable; they are subject to vandalism, often sited in depressed areas where the potential for new uses is least, and are often large and therefore expensive to maintain, let above to repair. Tenlon's manufacent church, St. Mark's. Silvertown. which stands derelict and ivycovered anish the industrial landscape of the London docks, is a vivid illustration of this Responsibility for redundant churches passes to the diocese and there is considerable dis-

or are about to be, demolished. The necessity to realise the commercial value of a site brings pressure to bear and under forthcoming ameodments to the Pastoral Measure the waiting period on demolition will be reduced from a year to six months, Intensifying such pressures. The maze of bodies and legislation that surrounds the disposal process is further com-

plicated by the Faculty Juris-diction Act (1964) which deter-mines the situation for churches in use, if they are to be re-placed or reduced in size. Anomalies exist within this measure but it is to be amended.

The Courch of England bears responsibility for some 18.000 churches and chapels of ease. The scale of the problem when non-conformist chapels and eburches of other denominanot on exteroal surroundings. tions are added is brought out in Marcus Binney and Peter Burman's book "Churches and the Countess, is particularly good at expressing strong emotion without moving a Chapels: Who Cares." Contractmuscle. Her silent disaporoval ing congregations, a vast stock of mostly ancient buildings, and sbortage of finance (the Govern-ment provides £2m at 1973 of the Count's attempts at intrigue during the marriage festivities has the power of a high-voltage electric current. If values) present a nightmare of on Saturday Miss Palmer's voice great complexity. Yet the bad more edge than is custo-Church Commissioners see mary for the role, in ensembles Church Commissioners see encouraging signs in the con-tinued growth of new uses— perbaps because the public is becoming more aware of the possibilities. The Sports Council specifically encourages the use of churches for soorts activities, ard has produced a design brief through the firmness and security of her singing. Though and has produced a design brief setting out guide-lices. The Norwich Historic Churches Trust which holds 14 churches her performance has plenty of quiet humour it is, thank goodnn lease from the City Council Northcott, Exeter is another solution: a oroner

strategy toward churches in one narticular town. Ipswich is now following suit.

Cources in 1979 are perbans less vulnerable than they were ten years ago. Solutions are more fortbecoming. officials and the public more willing to help. parity between the attitudes of Yet tha area of concern is still one diocese and the pext. In immense-it is a oroblem for everytown and village in the 1968 and November 1977. 46 country and one with which courches were declared redune everybody should concero them-

# Welsh National Opera plans

Plans for the 1979-80 season Moshinsky; The Coronotion of Plans for the 1979-80 season of the Welsh National Opera, announced last week, include five new productions. Tristan und Isolde will he sung in German in a production by Reter Brenner, the Brennen Opera Director, conducted first by Reginald Goodall and later by Richard Armstrong, with a cast led by John Michington and Markaret Curphey.

Figaro Jonathan Müller's production ness, totally lacking in the pert-of The Morriage of Figoro for ness of a typical souhrette. Englisb National Opera haa Alan Opie gives Figaro a

returned to the Coliscum with genial temperament that allows him to meet and deal with all seven principals new to London emergencies unperturbed. Only audiences. It is a strong, wellbalanced cast that now fills out Dr. Miller's striking framework. the apparent infidellty of Susanna in the last act has the power to rufile his good humour. Neil Howlett's Conot. smoothly Individual singers reveal quirks of personality more freely than before, though the relaxed, unfussy character of the staging remains its best feature. A few sung and elegantly presented, conceals his fury at the frustration of his desires beneath a paper-thin veneer of bonhomle. details have been altered: the Countess no longer lolis in a chair for her third-act aria, for Della Jones, a coovincing Cherubino in the painful throes of adolescence, makes it clear that Barbarina and even instance, but she still sits with the casualness of someone whose thoughts are wholly con-centrated on inward feelings, Susanna are only agreeable and temporary substitutes for the page's real love-ohjective-the ounfess.

Shelagh Squires, nobty resist-ing all temptation to caricature Marcellina, finds her aria un-comfortably high but otherwise comfortably high but otherwise sings sympathetically. Harold Blackburn's equally unexag-gerated Bartolo and Stuart Kale's unctuons Basilio fit songly into Dr. Miller's care-fully imagined bousehold. Sir Charles Grouse harm performer Charles Groves, happy perhaps to return to the cryst-line waters of Mozart's score after



"Motherdear" was what her Denmark and Norway, that they colldren called her. "You're really did have the control of the most beautiful mother any the westero world in their chap ever had," ber vounger son George assured ber. Everybands, an illusion for which they are not to be blamed so much as pitied.

one loved ber except her husband: he was too busy loving other people, and did not feature much in the picnics, parties and balls that made un most of Motherdear's family life. What Motherdear could ool be made to understand was They move majestically about the Sandringham drawing-room io their lovely costumes (the decor by Hugh Durrant), members neither of the aristocracy nor the people, but denizens of oot be made to voderstand was that olaying Funt-the-thimble a latter-day Valhalla. Even at her most wicked, when, for was no an ideal occupation for example, she explains to Victwo girls in their '20s and a son toria that Roschery's first wife serving in the Royal Navy.

Felicity Palmer, who sings

In his olay, Poyce Ryton examines ber with a purely domestic eye, and Motherdear's she traded on all her life, avoidcraving for affection is seen in nerspective. She could not keen ing argument with a coquetiish ment. Training, Centre is that red by some millening and (with Evelyn Lear). Medam inspective, one count not seen affectation of dealness, the head ing its first course this Margaret Curpley, is all the Bullerity and The Manie Flute. The second and possibly became incomes all the operation of the Binner) George went affected with a friendly spile. Second and solve and the second and the second and solve and the second and the second and solve and the second and solve and the second and solve and the second and second and second and second and second and second and the second and second and the second and the turned to present an ear. an Imoassable "What is that?" to hecome Queen of Norway: Lonise was reluctantly conceded to the Duke of Fife 1"A subject !" says George sars George indignantly); hut Victoria was ruthlessly, even disbonestly, kept at home as a kind of amateur lady-in-waiting. For various political reasons, no arranged marrlages were seriously proposed: the only suitably young and Protestant candidates were all Germans and Motherdear didn't like Germans. There was a romantic brush with a young man-a subject and not even a dukeand a desperate trial with Lord Rosebery. who was Prime Minister at the time. Bul poor Princess Vicioria was condemned to-attend Queen Alexandra until that all-too-lovable figure died at 81, deaf and senile, to give her her liberty years after there was anything to be done with it. Even if Motherdear bad been only Mrs. Jones instead of Mrs. Guelpb, the story, with its suggestion of Henry James, would be a pathetic one; but because the characters come from the European royal families the pathos is enhanced. Mr. Ryton has indicated rather well the illusion they had, these Oueens and Princesses of Great Britain and Germany and Russia and

Leonard Fenton and Angela Pleasence in ' The Square

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New End

# La Musica/The Square by MICHAEL COVENEY

slight, mordant, felicitously "Fivacy within a relationship. (played with a relentlessly slight, mordant, felicitously "How to make memories less phrased, ephemeral. They are not my cup of tea, nor does game, although the practical Nicholas Renton's lacklustre problem of what to do with the direction of these two short pieces do anything to assuage me in my prejudice. The Square (1956) w25 Duras' first play, while Lo Musica (1965), which always think of as a Noël Coward snippet witbout jokes, demonstrates that the author had defined her proposed theat-rical territory in the earlier piece. The longer plays bave

apart. The best performance of the evening is by Estelle Kuhler in

# died young because he gave her svohilis, Dilys Hamlett imbues Alexandra with the charm that

furniture also looms small, Miss Kohler has a wavering upper lip ideal for Duras, although even sbe fails to raise a laugh, intended or otherwise, with the line "Some people spend the afternoon weeping when love starts to languish; I go to the races." Her partner in hate is Michael Howarth.

botel lounge to chew over their to own a gas-cooker, an aim course.

Duras are rather like Gallic jealousy and elaborate upon the coveting a retrigerator. Both short storles in the New Yorker: wife's former insistence on the traveller and the maid gaseous earnestness hy Angela Pleasence) are sad loners, she "the sort of girl most men make do with." They may or make do with." They may or may not make a doomed go of things at the Saturday night dance. So what? Mr. Renton's production

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even allowing for the fact that I saw a preview oo Thursday night, is careless with the offstage sound effects, clumsy with the lighting and sadly short on room in the programme for a characteristically hizarre oppreciation of Duras by Harold

The Square, which trundles tivity Duras demands. There is been subtle variations on the interminably on despite one, monotonous theme of Leonard Fenton's brisk comic comiog logether and falling attack in the part of a lonely commercial traveller on a park Hobson, but none for an accre-bench, contains one inspired ditation of the translation passage of writing as the idea which I assume to be the work of perpetual travel is likened of Barbara Bray. I hope she Lo Musico: a newly divorced of perpetual travel is likened of Barbara Bray. I hope she husband and wife sit up in a to the loung maid's ambition collects her royalties in due

# Albert Herring by ARTHUR JACOBS

her keen. compact tone and disciplined phrasing are inhis recent exploration of the murkler depths of the Rhine in valuable. By contrast, Eilene Hannan's gentle Susanna sounds unusually vulnerable, but she Wagner's Riug. conducts with a liebter touch than at the protoo expresses determination duction's opening performances The playa of Marguerite past, re-live the husband's that will lead inevitably to last autumn. His pacing of the second-act finale now flows with exhilarating inevitability. ELIZABETH FORBES

all worlds; churches back in and Thomas Allen, produced by injection of life and activity."

taken as usual to Birmingham. use, ideal uses at that, and the the Roumanian Andrei Serban Bristol. Liverpool, Manchester, willages have benefited from an and conducted by Mark Ermler Oxford and Southampton. from the Bolshoi Opera; Verdi's besides Cardiff. Swansea and The processes by which a Ernani, produced by Elijab other Welsb towns.



The Leigh-one of the redundant churches finding a new lease of life

her pretty frorks giving way to plain dresses more sulted to a poverness, her mobile features increasingly set in resignation. George V, In the terrible post-

war scene where Queen Alexandra and her sister the Dowager Empress Marie of Russia believe themselves still to be in the old world, is neatly played by Brian Carroll with a touch of the gruffness in his voice that we used to hear on the radin, I mean the wireless, each Christmas. Clive Carter is the dis-appointed Equerry (properly pronounced with the accent on the second syllable) and Frank Barrie a flatteringly handsome and romantic Rosebery.

Richard Digby Day. the director, bas flattened out the Nortbcott's stage and banished the proscenium so that the stalls run right down to the acting area; as in the Mermaid, though more prettily. The appalling discomfort of the over-furnished room. crammed with framed pictures of Alexaodra's relations, is an extraordinary hackground for all that talk of Nicky and Willy and the need for Minnie (widow of the Emperor

Alexander III) to sell her jewels if she is to be able to live within ber meana.

**RUGBY UNION** 

Even when the orchestral sound is as prominently recorded as it was with this Albert Herring, the "timing" of an opera on television tends to establish itself in visual rether than musical terms. The mockery of English village types-a mockery which is entirely conventional and predictable-is sufficiently acceptable when the subtle sonorities of Britten's score beguile our orchestral interludes between ears in the theatre, but on tele- scenes, vision I found the fun wearing In the otherwise American thin over the full three-act cast, James Hohack as Albert

leneth. Humphrey Burton's spoken simple youngster who is chosen synopses before each act did May King because none of the not indicate much confidence village girls is virtuous enouch that the opera would tell its to he May Queen, and who own story-even in English! finally kicks off the traces of his Perhans a more radical, studiomother's repressive hand, is not conceived production would an ensy role. Can he really he have needed no such prompting. so simple? Here the dead-But this was opera from the earnest manner, creasing into a ocera house, a concept which at smile only when Albert silently least plays safe with musiclovers who are attracted to tele- his lovers who are attracted to tele- his supposed decease, was rision opera pot as television exactly apt—and the music was hut as a substitute for the attractively sung ton. theatrical experience.

The theatre was, unexpectedly, in Missouri. We joined the audience of the Opera of St. Louis, where the cast had been reinforced with the formidable British presence of Pauline Tinsley as Lady Billows, as well

8. A. YOUNG as of David Ward in the sub- clarity of diction, but I fancy as ever.

sidiary role of Superiotendent those unfamillar with the opera Budd of the Loxford police. The will have "lost" her a few times. sight of the orchestra and the As her housekeeper. Florence, conductor, John Moriarty. framed the performance. It was Joyce Gerher was allowed to model herself too much on her the feat of Brian Large, once mistress: why should both of again the televisioo director for them, and the vicar as 'well, the BBC (in co-operation with wear spectacles at the ends of WNET. New York), to contrive the least possible interference their noses? Those with memories of the with the theatrical Illusion, seve late Owen Brannigan as, Supernecessarily in pictorialising the

intendent Budd murt have thought David Word rather dull, and Elizabeth Pruets-schoolteacher did not achieve quite the dott; delicacy which April bimself was outstanding. The Cantelo used to conjure up, There was a rather unsmiling Nancy (Evelyn Petros), whose eye niake-up seemed to come from another production alto-gether. hun Stephen Dickson

sang an excellent, warm searted Siđ. Congratulations are due to cept the children) could simudo the same for an American opera set in America. The sur-

on a Tudor throne or (as here) bossing a late-Victorian village, also had her moments of comic triumph as Lady Billows, and her voice fully encompassed the rich range of the part, Mostly

American singers who (all exjoins those who are mourning late Englishness so well I doubt if an English cast could Pauline Tinsley, regai whether viving awkwardnesses stemmed mainly from Eric Crozier's original, creaky librelto. If you could switch your attention to the score, its felicities - from the parody anthem of "Albert the good " to the children's ballshe had taken trouble with houncing ditty-were as telling

**BY PETER ROBBINS** 

SOCCER

# Forest press on with Clough plan

THE TWO most impressive day the enormous gap which Second Division teams in 1975 now exists between doomed 77 were Chelses and Wolver- Chelses and the holders of the hampton Wanderers. The League title, who achieved one manner in which both gained remarkable double last season Dromotion promotion suggested they and have another in would do reasonably well in plain for all to see. the First Division.

The football of the third team to go up, Nottingham Forest, was less convincing and appeal-ing; many felt that fourthplaced Bolton Wanderers were\_ unlucky and had more to offer. Certainly nobody expected --not even one suspects, Brian Clough—that Forest's return to Division One would be quite so SUccessful.

RT GALLERIS Now. two vears later, Chelses, having survived one undistinguished season, have already accepted relegation as inevitable, while, though the Wolves should escape the dreaded drop this is due less to their own ability and more to the large number of indifferent teams in the bottom half of the First Division. These two struggling clubs, Nottingham on Wednesday.

wbo promised so much such a short time ago, provide (almost inevitably, under new managers) classic examples of the ups

middle of the back four, they and downs of football.

and have another in view, was

In the first half, with a strong wind at their backs, Forest scored twice and squandered four quite easy chances. It was men against boys, so that a 4.0 scoreline at that stage would not have been flattering. After the interval the game became less one-sided, even though a brillient burst down the right flank by Francis enabled Bowyer to increase the lead. Eventually the home team obtained a consolation goal, well taken by Butch Wilkins, without

visitors seriously.

front, and without Burns in the

matches and friands. Of course, it makes a considerable difference having a footballer with the class of Francis as cover for his present spearhead of Birtles and Woodcock, hut the real strength lies in the pattern Brian established which not only gives away noth-ing at the back hut involves

using the ball out of defence exceptionally well, accuracy, skill and effort. These basic principles were laid down when Forest gained promotion with what, indi-vidually, was not an exceptional side. Subsequently

Forest have been able to provide much money to improve aver suggesting that they had both the team and the ground facilities, whereas Chelsea, with the burden of a seventhe ability to inconvenience the facilities, figure overdraft, have been This match provided Brian Clough with an ideal work-out fighting a continual battle to reduce this heavy load and to for the vital task of establishing survive. There has been little a substantial lead against cash to spare on players.

Cologne in the first leg of the European Cup semi-final at In an effort to halt that firsthalf-of-the-season slump which Although his team were withguaraoteed they were already Second Division bound, the out Birtles and Woodcock up Chelsea board, needing a man to work miracles, made an interestd downs of football. had a most promising reserve ing choice. They persuaded that At Stamford Bridge on Saturin Gunn, at left-back, and con-former outstanding player, caping choice. They persuaded that

tinned to function with the tain and football philosopher, smooth efficiency which wins Danny Blanchflower, to take over the reins.

BY TREVOR BAILEY

Danny, with his deep love of the game, has, it is good to say, remained a romantic at heart, with a mission for pure-this adjective pronounced with the purity that only a Northern Irish accent can fully conveyfootball.

He could not turn to such vev tactics as a realist would probably bave adopted-keep it simple, make is a difficult as possible for the other, side. settle for total commitment rather than skill, defend in num-

opnosition. can bring limited success for a limited period but would have represented a betraval of Danny's principles.

He is fully aware of the many existing weaknesses in his slde and is already thinking in terms of next season's campaign and making a speedy return. Although he bas several very talented youngsters who bave

England three-quarters run at talent that England need. nredictable angles, whereas the Welsh and French backs have lost confidence it will not be easy, but I hope be succeeds and in the case of their full- although a good prospect, does sessions for forwards and ozeks because the game could do with backs, Williams and Agurre, the not yet show enough balance in so that the work can be

# Tour gives coach Davis fine chance

of the new selection regime. Budge Rogera is now chairman and Mike Davis, who finished playing in 1970, is the new coach.

Both are well aware of the resk ahead of them as they surthe debris of a season which had promised so well.

The lessons have been largely negative, in that Eng- national team for the East was land has still not found an ball guickly to the three-

cnaches whose first aim is success have tended to hide individual faults in the backs rather than remedy them.

THE ANNOUNCEMENT of bas been interesting to see how Huw Davies is tremendously England's party to tour the Far France work off the ball, East last week was the first act whereas some England players would not accept their responsibility in that field. The national side must reflect the game in the country, and England, despite the absence of Cotton and Uttley, have developed a pack of ball

winners. This tour, and the under-23 tour of France and Italy, must be used sensibly, and the

elected from players who are inside pair who can release the serious contenders for the full international side next year. It ber and depth, hope to cash in guarters. Thus there has been would appear that both Uttley on the odd error by the an inability to translate nos- and Dixon have played their last

> I am very surprised at the exclusion of Kenney, Leicester's Rogers would be well advised to ebullient scrum-half, because he has played consistently well for like Bob Hiller, John Pullin, the past three seasons. He out-

played Youngs, Bedford's aspir- and John Spencer, ing scrum-half, in a John Player match and has the all-round

All too often have the selectors opled for a player with a varied their lines of running single strength, and Peck, may see separate coaching more genuine idealists like him. point of entry into the line. It bis games. The selection of concentrated.

interesting.

It is possible that Rogers will invite some new selectors, and since we are to revert to divsional matches next season presumably there will have to be a new Midlands selector in place of the new chairman.

Moseley have two strong conenders in Jobn Finlan and John White, but with the need to preserve a forward-back halance. Rogers might opt for a threequarter. Bill Gittings, of Coventry, is a possibility, but Finlan would seem to be favourite.

It is understandable that any committee should be up-dated. but I think wholesale replacemeot is unlikely, because a certain continuity is essential. consider the claims of people J. R. C. Yonng, Terry Jorden

What new ideas will Rogers bare? He will want Mike Davis coaching in England has not to spend more time with the team, and there should be more coaching sessions. I think we

The new pairing will also want to have the whole squad at the pre-match sessions, not just the learn and six replacements. 10 this way some semblance of realism cao be achieved. Rogers is totally opposed to skeleton rughy which he believes has been responsible for the dissolution of England's backs under pressure.

Davis comes to the job with impressive credentials. An outslanding coach of the England XV and XIX group teams, he says that there is no such thing as a super-coach, merely super selectors. I think he underestimates his own-contribution. and with his wide playing experience I do not envisage any problem in the delicate transition from coaching students to coaching the national side.

He will be looking for reaction to the man with the ball to make gaps. It is sad that this should have to be referred to at all, indicating as it does that

made comparable progress with coaching in other countries. Davis has a glorious oppor-

tunity to project his ideas on the Far East tour, and to establish the players' confidence.

session into noints, and this was game for their country, but we This strangulation football clearly demonstrated in the shall see. Scottish and Welsh matches, Rogers I know, is extremely concerned about the poverty of England's back play. Club

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# **Callaghan's** manifesto

published at the weekend bears the proportion of the nation's a heavy imprint of Mr. Callaghan. If there is a political philosophy that can be called "Callaghanism," It is all there. Mr. Callaghan believes in a kind of balfway house between the extension of State owaership and the encouragement of private enterprise. It is typified by the National Enterprise Board and the Scottish and Welsh Development Agences. The Manifesto proposes that the activities of such bodies should be extended even lo the point of the creation of similar development agencies in the English regions. There is also provision for compulsory planning agreements between governmept and industry.

#### Ouestions

This interventionist — Mr. Callachan would say partner-ship"—apprnach reaches into relations between government meant to appeal in one section and the individual. It is part of of the Labour Party and the rest the Callaghan philosophy that to another, while theoretically because a section of the se the state should be available to keeping all options open. help the citizen in ever more Thus it is proposed spheres. that people should go to school earlier and stay at school longer, and if necessary he paid to do so. There are plans for the House of Lords, for example, is extension of job protection is not immediately obvious, if schemes, the ending of fee- only because it is tess than clear paying independent schools, and the abolition of all charges in the National Health Service.

That is the basis for describing the manifesto as moderate. perhaps more accurately Callagbanesque. The Labour Party is offering more of the same, provided—and over, a five year period it is a foirly big proviso-that Mr. Callaghan remains in charge.

There are several questions that need to be asked. The first is whether the Callaehan approach, even as it has been practised so far. really works. The Prime. Minister bas frequently defended his inter-ventions in the economy on the ground that they were made necessary by the harsh external economic climate and by the need for British industry to 20 through a time of restructuring. if not regeneration. In other words, the job protection schemes, the State aid to private companies in trouble, and even the State launching of new in-dustries were purely temporary. After a while. Britisb Industry again be able to stand on its own feet. It is notable that the manl-festo makes little mention of the temporary nature of these provisions. Interventionism has become a permanent philosophy. In that sense there has heen a striking retreat from the idea of the market economy.

keep back part of the val a land sale from the A Peter, they were immed THE LABOUR Party Manifesto tinue with our plans to reduce struck dead. The modern tax collecto resources devoted to defence well regret the lack of is a straight concession. It bod effective a deterrent, be not previously been known that the Prime Minister wanted furevasion has become a major. and growing, problem. Recently ther uniloteral cuts in Britisb Sir William Pile, chairman ( defence spending. On the con-trary, the generat impression was that he bad become suffilbe British Revenue Bnar became the first senior officia to make a public estimate of ciently alarmed by the expanits extent. sion of Soviet forces to be in favour of a modest increase. that be had no hard figures. h

HE early Christian com-

munity in Jerusalem had

no problem with tax eva-

Freety admittin

earnings

tb

activity as contributing 10

economic activity is excluded

from the national income hy

Yourself and work by house-wives. A bachetor can reduce

GDP at a stroke by marrying

his bousekeeper. Finally pilfur-ing-especially from manufac-

turing industry—can result in an under-estimation of output. However defined, the black

economy is highlighted in several sets of official figures.

and all of them provide strong indications that it is growing.

although they give no clear

evidence of its absolute size.

The main plank of evidence is

contained in the work of the

Central Statistical Office on the

national income tables. The office derives GDP in three

ways-through income, expen-

The raw figures for income

have always been lower than

those for expenditure, and the

statisticians have therefore

senting unrecorded earnings.

24 per cent, or £3.4bu. This is

far lower than Sir William Pilc's Ellon estimate. However, while

the CSO picks up some " black "

activity in its espenditure ligures, based on the nous, bold

expenditure survey, it misses

ulher unoific'al activity entirely.

will not register carnings of the "black" self-employed - the

So while the income figures

diture, and output.

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welfare and

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sion, even though it taxed the

told a Commons select con mittee that "it was no The stalement on the future mittee that "it was no implausible" that the blac of the British independent delerrem is obscure to the point of being meaningless. The first sentence says that the best course would be to let it hapse economy-or evade the tax net-now totalle 71 per cent of gross domesti protect, or something ove filbn in the 1978-79 financia with obsolescence. The second sentence says "may be not" and the third sentence calls for vear. Such a figure is not out of keeping with estimates made for it is difficult to regard such o full and informed debate, which is the last thing any Labour Government has wanted other advanced economies. Inde-

pendent researchers put unon this subject. The only interofficial activity in the U.S. at 10 pretotion one can put on it is that one part of the passage is per cent of gross national product. and in Itaty at about 20 meant to appeal in one section per cent. Even well-regulated West Germany has long had a prohlem of Schworzorbeit. or black work.

Similar criticisms may be Unofficial activity of this exmade of those other throwaway tent clearly bas substantial lines clearly designed to placate the Left. The point of abolishimplications for economic management. An obvious example ing the legislative veto of the concerns the level of savings, which is o key influence on consumer demand and hence on the growth of output. Savings from what that veto is. It would have been more bonest to have gone black earnings-where there are no employer or state benefits along with the wisbes of the -are likely to be much higher Labour Party cooference and promised outright abolition of than in the official economy. If the hlack economy represents 74 the second chamber. It would per cent of GDP there could be certainly have been holder and a significant dampening effect on more impressive to have offered growth, simply because these a more fundamental programme extra savines go under the mat-tress-not into consumption. of constitutional reform.

Perhaps the most devastating throwaway line of all concerns import controls: "The Labour Government will ensure that Remarkably imports enter our markets only little research within acceptable limits," itself, it means very little, How. There has been remarkably after all, does one define "acceptable limits"? On the little research done in the UK on the subject, either by other hand, the principle of Government officials or by tmport controls is now en-shrined in a Labour Party manifesto for the Left to make anad vice. To an extent this is them to the nature of the problem. If the tax authorities what use of it they will. rannat pin down a proportion of

income in the cronomy, other steristical data are also likely Growth rate to be deficient. In the end, however, the real No one has yot succeeded in question is about the performframing a satisfactory definition ance of the economy. The of the black-or hiddenmanifesto assumes an economic growth rate of "3 per cent or more." It is on that basis that economy. activity that evades taxation: In the UK, for example, inurl spending proposals as well as a pledge to cut taxation at the lower end of the earnings scale. work What one is being asked to believe is that a Labour Government could achieve that growth rate over a five year period, for only then could it carry out its promises. It remains that these questions are relative. The Labour manifesto still has to be measured against those of the Conservative and Libercl

# A guide to underground economics

BY DAVID FREUD

# SPENDING BY SELF-EMPLOYED AT DIFFERENT LEVELS OF DECLARED NET EARNINGS (1977)

entire proceeds of capital sales						
made by its members. When		······		WEEKLY SPENDING		
Ananias and his wife tried to keep back part of the value of	earnings	Self-employed	Manuai workers	Clerical workers	Administrative & managerial	Professional & technical
a land sale from the Apostle Peter, they were immediately struck dead. The modern tax collector may	£40-£60 £60-£80 £80-£103 £100-£150	£64.64 £76.20 £88.60 £106.70	£47.97* £59,40* £70,51* £87,25*	£55.49 £74.23	£75.46 £101.07*	£76.94 £91,13*
well regret the lack of so effective z deterrent, because	* Approximate.		·	.Source: Family Expend	liture Survey, Oepertme	ent of Employment

	CIRC	ULATION	(Aggregate value		10110	
	£10 & £2	NOTES	ALL N	NOTES	CONSUMER	SPENDING
1972	£531m	4	£3.5bn		(39.9bn	
t974	£996m	(708/	£4.4bn		£51.9bn	
1976	€1.7bn	} <b>≁ 470%</b>	<b>£5.7b</b> n	} ÷tt0%	£73.5bm	÷ t40%
1978	£3bn		.£7,5bn )	· ·	£95.7bn )	:"

the UK would also be worth

prising, given the rapid expansion in the use of cheques and credit cards. However, within the total there has been a remarkable increase in the use large-denomination notes. Researchers in the U.S. believe this to be a key indicator of black economy activity. People tend to pay their "black" plumbing bills for, say, £100 in £10 or £20 notes, rather than in £1 or £5 notes.

In the U.S. the aggregote value of \$100 notes in circula-tion rose by more than 250 per cent between 1967 and 1977, while the aggregate value of currency in circulation rose by only 125 per cent.

The corresponding growth in the U.K. is far faster. The figures for note circulation were given in the Bank of England's September quarterly hulletin in a special article which com-mented: "Given the conservatism which affects most people's attitudes to money, it is perhaps remarkable that, even in the relatively short space of time since the issue of the higher decomination notes, the propor-tions of total circulation represented by the various denominations have changed as much as they have."

Between 1972 and 1978 the aggregate value of £10 and £20 noies in circulation grew by 470 per cent., while the growth in the aggregate value of all British notes rose by only 110 per cent. Inflation and increased black economy is essentially a consumer spending accounts for small business occupation. The

Pay As You Earn income tax collection system for employees. This leaves very little room for evasion, though "irregularities" in PAYE payments have been growing a little over recent The Revenua has years. doubled the staff conducting audits in this area.

Financial Times Monday April 9 1979

These two sets of checks mean that the bulk of the black economy lies in small-scale consumer services. The cash traders in this sector-plumbers, carpenters, taxi-drivers and all the rest-are, either saf-employed or moonlighting from their main PAYE job ... Only anecdotal evidence is available to support claims of rapid black economy growth in this sector over the past ten years or so. Every bouseholder has a string of stories about how trades turn pale at the sight of cheque-book.

But the expansion of how holder cash dealing midoubies derives from the ending of income tax under Schedule A in the early 1960s. Schedule A was a tax on the imputed reat received by house owners, and there were corresponding reliefs for house maintenance This meant owners had an inco tive, that exists no longer, record transactions and forwa bills to the Revenue

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## Ambiguous evidence

The evidence on double holding, or moonlighting, rather ambiguous. Son academic work has been done i this area by Mr. Jeremy Alda of the University of Walk Institute of Science and Pernology. There is an indication of some slight growth a "casual" second jobs in the early 1970s, although th number of regular second ju seems to have been steady. 1971 regular second jobs totalle aboirt 750.000, while casual one added a further 1m of so." Mr. Alden's calculations, all show that most of the casual or occasional, second jobs were performed by women. Some o their extra income may have remained . indeclared-not . for tax reasons, but to prevent social security benefits being reduced or withdrawn entirely Figures from the Departmeof of Health and Social Security provide evidence that such fraud is increasing. "Five: years ago about 5,000 cases were prosecuted, while last year the total had moved up to 26.000.

increase, for over the same six to shrink the apparent size of undisclosed earnings, and although some of the increase undisclosed earnings, and although some of the increase current prices only rose by 140 proportion of sales and buying detection techniques, the figures notes, the two higher denomination no records kept. At the same The bulk of the cases concerned The strength of the hidden economy is not simply a reaction to high marginal tax rates. One underlying reason for its growth in the UK-as in other western economies-is the expansioo of the service sector. The repeal of Schedule A was another contributory factor. Even if the Tories win the general election and carry out their promise of cutting tax rates, it looks as if the many aspects of the black economy will be with us. Ior o long time to come.

survey, spending on most goods is taken from the output statistics and retoil sales figures. The expenditure figures would also tend to miss another key as Do-ti- element of the tax-evading cconomy-the way in which many of the self-employed overstate their expenses to cut net earnings for purposes of tax. Where the purchase was not o true expense, the practice would take an amount out of

final expenditure into intermediate expenditure. That the self-employed often do indulge in some kind of fiddling of this nature. -15 strongly suggested in the latest Family Expenditure Survey. covering 1977. It shows that at comparable levels of declared net income the self-employed manage to spend between £5 and £t8 a week more than

employees. Those self-employed declaring carnings between ESO and £100 a week, for instance, spent on average £83,60, while clorical employees in the same wage band spent only £74,23-£14.37 or 16 per cent less.

#### added on an amount to total income. This amount-reprepresumably in the black economy-seems to be growing. Dependent In 1975 it represented 11 per on cash cent of GDP while io 1978 II was

The roughest of calculations shows thal, taking £10 a week as the average discrepancy, the 1.9m self-employed would have been spending an extra fibn in 1977 than they would as employees. This was equivalent to } per cenl of GDP. How much of it was picked up in the expenditure figures would have depended on the precise nature decorators, window cleaners and nf the fiddling.

The

Sir William Pile doubt such an approach in

More evidence of the exist-

gures for VAT. In 1975 a study

showed that obout £30m was

lost through frand and evasion.

Must fraud occurs at the retail

levet, and because the VAT

system traces goods through the

economy from manufacture to

sale, it provides a good pointer to what slips out into the black

In 1975 the lowest rate of

VAT was 8 per cent, so at the

very least the £30m of lost taxes

represents goods and services worth £375m. In fact it is

likely to represent considerably

more, because a proportion of the lost VAT would not have

covered the entire worth of the goods, but only the evoded

The figures do not show a break-down between services

and goods but, by its nature, the VAT system tends to be

better at traciog goods frauds.

Assuming VAT lost on goods at

two-thirds of the total and aver-

age retail mark-ups of about 30

per cent, the Customs figure

slipped out into the black economy in 1975. That was

between } and ? per cent of

In fact VAT is a major con-

straint on the growth of the black economy. In the U.S., where there is no VAT, the

that goods worth £250m and £750m

and £750m

ence of the black economy is provided by Customs and Excise

examining.

econom;

retail mork-up.

SRIGGESIS

between

GDP,

#### Defence

There are also questions that need to be asked about Mr. Callaghan's concessions to the Conservative and Libercl Left wing of the party, and Parties. But one cannot easily about his compromises. The pretend that Labour has offered about his compromises. The pretend that Labour has or statement that "we shall con- a vision of a new Britain.

# **Competition for** investment

UNLESS there is a last-minute countries does not appear to bitch. Ireland's Industrial De- bave been entbusiastic. Last velopment Authority will autumn Mr. Fred Bergsten. announce today that Mostek, one Assistant Secretary of the Treaof the leading U.S. semi-conduc- sury for International Affairs, tor companies, has decided to set out his conntry's "model build a testing facility and approach" to internationat ineventually a manufacturing plant near Dublin. So this particular contest for a poteotiolly valuable piece of inward investment has been won by the Irish Republic, with an unhappy Scottish Development Agency beaten into second place. In the meantime the hattle for the much higger investment by Ford, involving a new car assembly plant, stilt appears to be in the international investment. balance. France and Austria are the front-runners, hurt one cannot rule out a late bid from another country, which might pruduce an even more tempting package of incentives.

#### Indisciplined

On the face of it the only winners from this type of competition are the international companies themselves, but even they must wonder whether the sbort-term financial benefits for particular project nutweigh the damage to the world trading system which is taking place as a result of the indisciplined use of investment incentives. Not only are governments desperately anxious lo attract new investors to areas of high unemployment, like the sizel-making with international investment region of Lorraine, uut within prohlems, but they need to be each country the azencies charged with attracting new investment can go to extravestment can go to evira- take into account possible ordinary lengths in designing damage to other member counfinancial onchases - including trics if they provided special equity particination—to suit the incentives to attract inward prospective investor's needs. investment. With the 1976

There is a clear case for agreement due to be reviewed stricter international rules to this year, the fundamental oring this competition under issue is whether governments control. The Carter Administra- are prepared to surrender some tion has been arguing for such of their freedom of action in rules for some months, but the the interests of a more stable response from other industrial trading world.

UK, for example, much others who go moonlighting-is kept clandestine to their undeclared earnings will economy completely un-measured by the official figures. Statisticians are phie to estimale snue of the "black" income from consumer spending and some of the hidden economy is

It is not simply

therefore, paradoxically, in-cluded in the official figures for total national income. Illegal transactions, such as the drugs trade, escape the statistical net entirely, although

dependent on cash for its transwoid the loss of social security appear in the sncoding futures actions, since cheques and other benefits. Nor is the block of hous inids, at least to the such instruments could be extent that peuple fill in the traced by the authorities, expenditure survey correctly. Accordingly, if the black Likewise, second jobs should be economy has been growing, ene extent thz: peuple fill in the reflected: the income of a pert- would expect it to he reflected time barman 15 financed by

spending in the pub. But the extra vitibire figures will miss profficial manufacturing production entirely. This is so because while the estimate of hus grown at only half the speed spending on most services is of consumer expenditure at cur-derived from the her chold reni prices. That is nut sur-

cent in 1978. Expressed as a proin the use of bank notes, In fact the proportion of eash

to the overall money slock has, it anything, declined in the past transactions, work has begun in 10 years, while note circulation black economy, using the growth

tion notes increased from 15 per time some workers can be cent in 1972 to just over 40 per employed "off the books."

In the UK the VAT system portion of consumer. spending makes it far more difficult to the aggregate value of £10 and disguise the amount of merchan-£20 notes increased from 0.9 dise coming into a business. All per cent to 3.2 per cent. traders with an annual turnover. In spite of the difficulty of of more than £10,000 must be estimating the velocity of circu- registered, and the 1972 Finance lation of cash spent on illicit Act lays down that traceable

invoices must be available for the U.S. on econometric models inspection a to calculate the size of the the system. inspection all the way through The other major constraint in his note circulation as a hase, on the black economy is the

## MATTERS MEN AND Joining the squad

## at half-time

Professor Douglas Hague. Margaret Thateber's new economic adviser and speech writer, is more of a political butterfly than his Tory war cries-"I support Margaret Thatcher and Manchester United, in that order "-might lead one to imagine.

The deputy director of Manchester Business School even served at one time on Liberat vestment. Under normal cir- Party committees: " I think that cunistances the U.S. would was in my childhood," he told neither promote nor discourage me vesterday. "It was about inward or outward investment | 1948

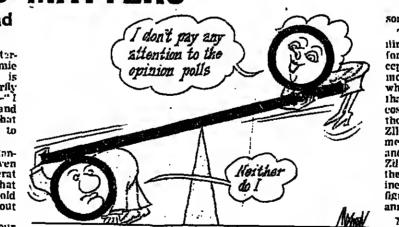
flows or activities: would avoid His work for the Labour measures which gave special incentives or disincentives to CBE last year, also extends beyond his membership of the government, rewarded with a specific investment flows or oc-tivities; and would avoid inter-vention in the activities of individual companies regarding report recommending cuts in tea prices. Last altiumn he was called in to bead a Department Mr. Bergsten admitted ;bai the U.S. Government Itself, to of Industry working party on the say nothing of the State govern- inture of Merseyside's Kirkhy ments, bad often actively inter-Manufacturing and Engineering

workers' co-operative. vened to secure inward invest-At the time he was widely ment. Intervention in this field thought to favour the co-op being taken over by the usually involves two featuresincentives to stiract the nar-National Enterprise Board, a solution of which Thatcher ticular investor in the first place and performance require would certainly disapprove. As ments to ensure that the com it turned out, everyone else disapproved too, and be now insists: "It was never a live issue.

After an abortive attempt to return KME to the private sector, it is now in the hands cffect of distorting normal of a liquidator. "It may have competitive forces. There are been politically radical, but not international agreements, within managerially," says Haque. " If the EEC and in the wider only somebody had been

interested in marketing it would OECD framework, which deal bave been a good husiness." No one associated with the strengthened. In 1976 the members of OECD agreed to professor during this work had any inkling of his Tory connections. "If I'd known I wouldn't hove accepted him as chairman." says Jack Spriggs, one of the co-op's leaders.

Hague. 52, is unabashed: "I non't regard myself as a very political sort of person. 1 just want to get the country hack on its feet. What Mrs. Thatcher says is that I write more clearly about economics than anyone else. . . .



Was he, t asked, a cardway t'm not sure that decision would mean all that carrying Tory? " Do I hove to answer that que-lion? I make a significant contribution-about much in a different situation." said its spokesman. the same as to Manchester Nor did he know if anyone had successfully claimed the much-mentioned 25p a day United. t have a brok that allows me to go to every bome league match."

## Making excuses

Come hell or dustmen's strike, lawyers. one would imagine, never have to suffer the in-dignity of lumping their own housebold detritus to emer-"Serve puticc gency dumps. on the council, they'll be round rithis. like a shot . . . contract, old boy give them seven days," is the gist of many a dimly-

to

overheard bar conversation. And indeed the Law Society had four rubbish collections was quick to give me instances this year, three of them in the last three weeks . . . t didn't take any action." Why not? of councils responding smartly well-informed threats of court action. Under the 1936 "The fag of getting down to the Public Health Act. local outbori- joh." ties have to have a " reasonable

excuse" for not collecting rubbish, the Society told me. Zillmerized This excuse had to be on the level of an Aet of God. Coun-cils were "absolutely not" immune from honouring a legal contract.

The Association of District ance. One paragraph in this Councils counter hy saying cuntribution to the brotherhood its members had in general of man is. I must admit, been standing firm: "The feel- intensely soporific. If read at ing is that a dispute constitutes speed it sounds uncannily like a reasonable excuse. The law a lawn being mowed, about is not enlirely clear, and ary- which the EEC has also issued

some harmonious thoughts.

The Commission, says the directive, will submit proposals for harmonising different con-copis of profits "where Zillmerizing is not practised, or where, if practised, it is less than the loading for acquisition costs included in the premium, the difference between a non-Zillmerized or partially Zill-merized mathematic reserve and a mathematical reserve Zillmerized at a rate equal to the tooding for acquisition costs included in the premium, this figure may not however . . . anil so on.

My curiosity aroused, I have even tooked in the Encyclo-paedia Britannica to find out what this could possibly mean tiventually I swallowed my pride and asked the Commis sion Office in London. haven't the remotest idea," said a spokesman.

#### (another provision of the 1936 Act) which is supposed to be the right of those accumulattog **Double vision**

a personal rubbish mountain. Pustal communications within Impasse in short. I tracked London appear to have seized up altogether, but Tokheim with be relieved to learn that sugdown Hardinge Pritchard, an expert on local authority law, and author of an article in the gestions are continuing to pour current Low Society Gazette in to my office from the provinces and obroad. Tokheim is utging citizens to use their the company with the linn's share of the U.S. petrol pump "I don't know whether an industrial dispute constitutes a reasonable excuse or not," market, and has for some time admitted Pritchard, a trifle licen rubbing its corporate hands in anticipation of 900,000 disappointingly. "I would have pumps being adapted for perrot costing more than a dollar a gallon.

Having doubled in price overnight, the shares dipped after - can it be a coincidence? one Men and Matters reader put up the idea of selling petrol in balf-gallons.

But I see that Tokheim fever has returned and shares closed An insomniae of my aquointthe New York Stock Exοħ ance has just discovered the cure for his trouble—an EEC directive on direct life assurchange last week at the all-time higb of \$25, regaining nearly \$2 on the day.

Missed opportunities seem to concentrate the mind wonderfuily.



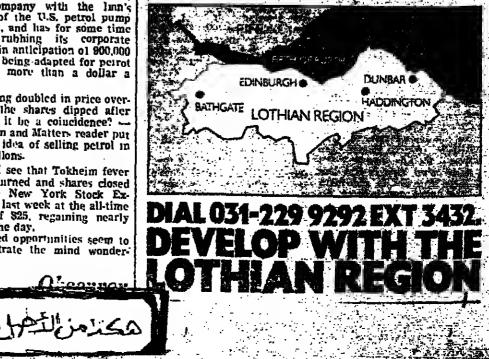
# VISION WE HAD THE SITE

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R I Shanks, Industrial Development Manager, Lothian Region Development Authority, 18 St Giles Street, Edinburgh EH1 1PT. Telephone: 031-229 9292 Ext 3432



nany contributes to such objectives as job creation, lecbnotogy transfer and exports.

Both these aspects have the

#### Self-defeating

# FINANCIAL TIMES SURVEY مكتاحن لتجل

Monday April 9 1979



The CT1S1S as usual

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#### By Rupert Cornwell

UNEASE AND uncertainty are yet again the ballmarks of Italy. The political truce which -Maiy. The political trace which . - flouriahed briefly in the after-math of the kidnapping and murder of former Prime Minister Aldo Moro has ended with the collapse of the un-matural alliance between Christian Democrats and Communists, the country's two largest parties. The inevitable ootcome, despite the procrastination of the politicians, is a general election two years before the scheduled end of the current Parliament in the summer of 1981.

As interlude of comparative stability is over, and once more goals. of the Communists' -to foreign eyes at least Italy's demands for power, and the gradual drift towards political national and international presand social breakdown appears to have regained momentum. The economic recovery which has proceeded steadily since the disaster year of 1976 soddenly looks distinctly precarious. At the same time terrorism, as is political uncertainty, bas in- Wheo this clearly failed to creased, while a fresh outbreak satisfy their aspirations, a new of scandal, this time embracing formula was devised under even the Bank of Italy, one of which the PCI was permitted even thhe Bank of Italy, one of the country's most esteemed into the parliamentary majority institutions, has muddled the supporting Sig. Gulio institutions, has muddled the supporting Sig. Giulio pre-electoral waters even more. Andreotti's Government, but On a more personal level, sgain without direct participa-within the last formight Italy tion in the cabinet. has lost one of its most re- However, by last January the

bas only served to heighten the impression that the country's current crop of politicians, and in particular the Christian Democrats who have ruled Italy without interruption since 1845, hardly measure up to the task which faces them. This is the climate in which elections will be held, the result of which, it is commonly observed, is unlikely to bring any radical change from what has gooe before and thus break the deadlock which paralyses the country's political development.

The root cause of that deadlock of course, is the questioo of the 1talian Communists (PCI), the largest and most aig-oificant of the west's so-called "Euro-Communist" parties. Their claim to some form of association with the Government process became irre-sistible with the June, 1976 general election, which saw the PCI come with 4 per cent of the Christian Democrat vote, and a severe squeeze of the smaller iotermediary parties with whose aid the Christian Democrats had

# governed Italy for 30 years. Conflicting

To reconcile the conflicting sures that they should not have it, the country bas since lived t, me. country has since inved by political experiment. The first phase, which endured until January, 1978, allowed the Communists to keep a minority Christian Democrat administraits wont in periods of acute tion alive by their abstention. Wheo this clearly failed to spected elder statesmen, the contradictions of this role, of 35

า เป็นของสามา และเกิดขึ้น สารได้ การการได้ และสามารถ เป็นสามารถ และสารการเหตุสารได้และและ เราะสารได้ การสารประกาศเราะ (และสิรายาร์ และ การการไม่) เกาะ เราะ (และ การการเหตุสารได้ เกิดและ การไม่ การและ การไม่ การการไม่ได้ และ (และสิรายาร์ และ การการไม่ และ การไม่ไม่ การไม่มากการได้ สารไม่ได้ การไม่ได้ การไม่ได้ การไม่ไ

Italy's economic recovery has solved none of its political problems. Nor are the elections, now due this summer, likely to do anything to break the deadlock in the country's political development or produce a generally acceptable role for the Communist Party. And there are signs that the next round of wage negotiations may affect economic plans.

disgruntlement of party mili-tants too big to ignore. Without Sig. Moro, the one Italian politician seemingly able to reconcile the irreconcilable, to res-train the right-ward drift of his own Christian Democrat party. the Communists felt they had no alternative but to return to comfors of opposition, eveo he if that meant elections, at which the PCI is expected to lose some grouod: The last hopes of avoiding them effectively dis-appeared on March 31 when Sig. Andreotti's fifth government, a Christian Democrat-Social Christian Democrat-Social Democrat-Republican coalition, with no pre-arranged majority.

was thrown out on the vote of confidence in the Senate. The indications of regional and local elections in 1978, supported by opinion poll fiedings. is that Italy will experieoce a shift to the right at the forth-coming poll: but the key question is by bow much. It could be that it will provide scope for the formation of a Christian Democrat Government without even the inclusioo of the socialists, whose 9.6 per cent of the 1976 vote gave theoi, in effect, the balance of power.

But if, as also seems possible. the outcome does no more than give the ruling party a couple of points more, and the Communists two or three fewer, then the dilemma will remain. The Communists will remain by far the largest party on the Left, reiterating the claim that without their involvement Itzly cannot be governed. The celebrated strategy of the "historic compromise" remains, even if.

the 15th national congress

consequence of the disillusioo energy imports are denomipolitical no mans land. Not sur- the lira, while those of its principal exports customers and principal exports customers and competitors io northern Europe again reaffirmed the PCI's demand, which is likely to last best of all worlds, and could beyond polling day: either combine a well-managed down-directly in government or ward float of its currency against directly in opposition. The former EEC "snake" bloc, while replacibles it account

It is a measure of the extent of the economy's recovery that the secmingly insoluble political crisis, the sensational arrest of the deputy director general of the Bank of Italy, and the summons issued against Sig. Paolo Baff, the Governor, in connection with the SIR (Societa Italiana Reslne) financial Italiana Reslne) scandal have bad so little effect on the lira or the domestic stock market. Italy has transformed 1976 balance of payments deficit of \$1bn into a record 1978 surplus of almost \$8bn, among the largest in the industrialised world. Last year gross domestic product rose by 2.6 per cent, fractionally under the average for the Common Market, bot the

signs are that 1979 could see an increase of 4 or eveo 5 per cent. Foreign exchange re-serves, excluding a substaotial gold stock, stood at over \$12bn by the eod of January, while the lira has been one of the star performers in the early weeks of operation of the newly launched European Mooetary System.

# Recovery

But how long will this happy veteral-leader of the Republican-being, in the words of Sig. of the PCI last week underlined state of affairs last? In part Party Sig. Ugo la Malfa. His Enrico Berlinguer, a party of very clearly, the party will the extraordinary recovery from -death, a year after the Red Bri- "struggle and government," adopt a much more hostile the brink of calamity has been gades assassination of Sig. Moro: had become too great, and the approach towards the Christian due to international circum-

were strong. Italy thus bad the ward float of its currency against the former EEC "snake" bloc, while replenishing its reserves

as the dollar suffered. That period, however, is probably ending. The recent spate of oil price increases will add L1;500bn (£900m) or more to

the import bill, make inroads into the country's trade accounts after a miraculously tiny deficit of L348bn (£200m) in 1978, and exert further pressure oo prices. Inflation, indeed, is the greatest meoace of the momen!. After a steady year in 1978, retail prices are again rising at an annoal rate of over 13 per cent.

and some pessimists fear it might be nearer 20 per cent by the end of 1979. One reason for the gloom it the familiar cycle of the Italian economy, whereby an upswing

io activily unfailingly produces a rise in imports, a weaker lira and a surge in inflation. Another. and soore important, reason is the possible repercussioo of the present round of 1979-81 wage contracts, embracing 10m workers in almost every key industrial seclor. The political tooth-sharpeoing of the Communists has spread to their unioo allies, and many em-ployers claim that the onloome the talks, which look very difficult at present, will be an increase in labour costs which neither companies nor the coo-

Democrats. This is out merch stances. The dollar, the cur- to try to iron out these strucdictaled by the immineoce of reory io which most of Italy's tural troubles, above all by conan election campaign, but is a enormous raw material and taioing labour coats and curbiog the insatiable appetlte of the felt after 21 years of life in nated, remained weak against public sector, that the Government drew up a three-year economic recovery plan last January. But with the political crisis, the programme has been shelved, and its prospects of speedy implementation are slim, In fact, what is bappening in the Italian economy appears more and more to reflect what is

happening in the country at large; a wideniog of the spit between the two Italys. Tbe contrast is not as simple as it was when a dynamic prosperous and European north had to be set against the south impoverished and still the prisoner of inept Government intervention, of its history, its culture and its attiudes.

That division still exists, but upon it bave been superimposed many others. In economic terms -and at the risk of oversimplification-there is on the one

hand the public sector, for the most part unwieldly, lossmaking and riddled with the age-old Italian vices of patrooage, and excessive bureaocracy. On the other is the private sector, ioventive, aggressive and largely companies, the true backbooe of Italiao iodustry, many of which operate in spite of (rather than within the framework of) the country's recognized structures. The extreme example is the so-called "submerged" economy, which accounts for anything up to one-fifth of the official ooe, but which bas only recently begun to appear in the slatistics. Stung by repeated criticism ISTAT, the ceotral nomy can safely bear. It was statistics institule, has just the latter's deficit, of around otherwise.

revised its estimates of the national accounts, adding au extra 10 per cent to GDP to take in the clandestine sector. In a host of other fields, too, private enlerprise is stepping in to make up for the services that the state cannot provide: in education, for example, there are now "private" universities to give a specialised relevant training, apparently beyond the capacity of much of the chaotic state education system.

Io the broadest sense, there is powerful centrifugal force at work, away from the state and Governmeot, which are the unable to perform many of their most obvious functions. The ensuing fragmentatioo, and the self-reliance of the people, are undoubtedly the reasons wby disasters so frequently predicted for Italy never quite frequently seem to bappen. But the price the country pays is very bigh.

Failures 💬

Io economic terms, the lack of central direction by the Government has led to some epic failures: most notably io the chemical iodustry, which after headlong and unregulated growth in the early 1970s is today virtually bankrupt. The SIR disaster, and the intricate subplot of political and industrial intrigue which is now emerging, is but the most spectacular facet of this. It has also meant that economic man-agement has largely passed by default to monetary policy and the Bank of Italy: as Sig. Guido Carli, the previous ceotral bank governor once remarked, made up of medium and smaller a bit like "driving a car with only the brake and accelerator." the

In social terms, Italy has of geoeratioos. True, the paid if anything more dearly. outcome of the Lockheed Most public and welfare payola scandal, which saw a services are a shambles, and as the boom of the 1960s fades implies ao overbaul of the public sector lbat is simply not

1.000 00 10 000

ON OTHER PAGES The Economy IF п Ш Trade Unions Politics IV Banking V. Agriculture v Trade VI The public sector VI. Energy yπ Industry The Mezzogiorno The islands The regions X The environment X. XI. Terrorism The Vatican XII-Tourism

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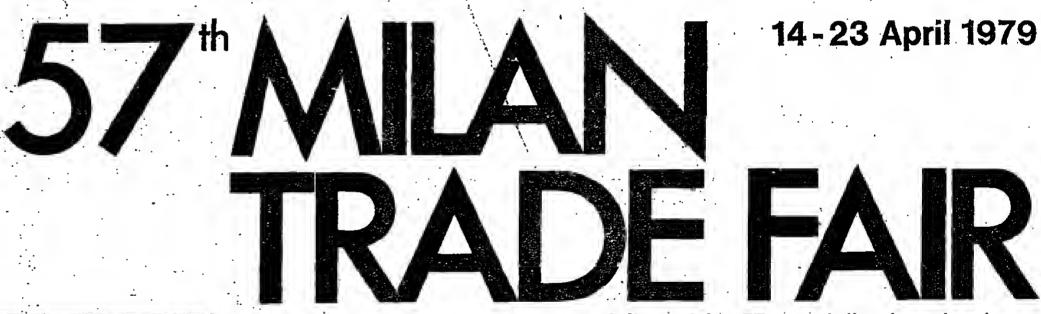
L 35,000bn a year, over 15 per cent of GDP, is the largest siogle millstone around the neck of the economy.

Most dramatic of all bas been Most dramatic of all bas been the breakdown in law and order. and the growth in terrorism, which may be seen as the untimate variaot of people "doing their own thing" in the absence of central authority. To judge by the oumber of arrests, the police are making inroads into

are making inroads into terrorism. But as fast as suspects are rounded up, new groups surface to perpetrate fresh atrocities. Magistrates, unionlsts, politicians, police officers and journalists are among recent victims. Not least disturbing has been the growing tendeocy of common crimicals to shelter behind pseudo-political labels, thus making the police task ever harder. At the heart of the troubles lies the public's basic distrust of its rulers, all too well justified by the experience

former cabinet minister jailed for the first time in Italy's from the memory, their short- republican bislory, was a sign comings become daily more of sorts that thiogs might he glaring. But to correct them chaoging. But the rumours and allegations surrounding the latest developments in the SIR on the cards. In the meantime. affair, to name but ooe, suggest

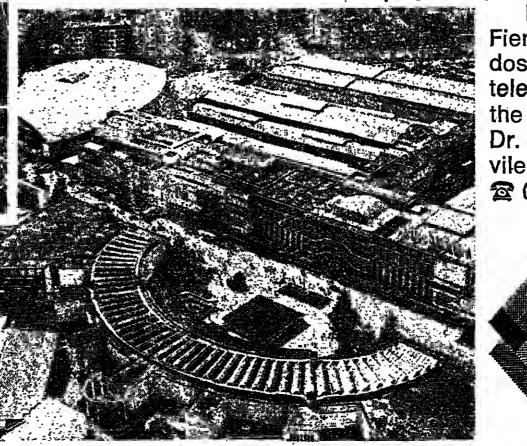
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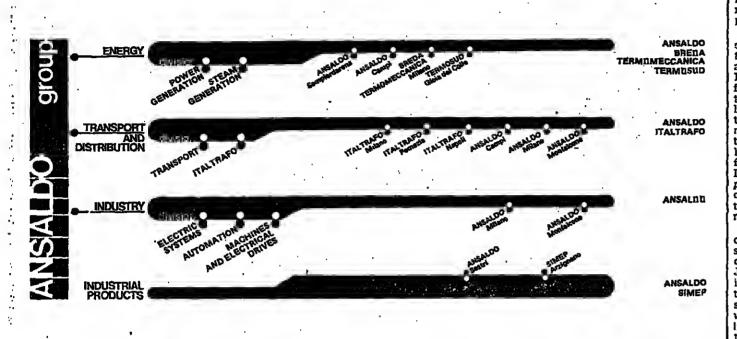
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#### CONTROLLED COMPANIES AND BANKS

# Weaknesses remain

ITALY II

The economy

ALTHOUGH THE lira is conand has been one of the strongest of the currencies to join the new European Monetary System, there are now signs that the Italian economy could como undor pressuro again.

A worying trend in inflation over the past few months was confirmed by official figures showing a 1.5 per cent rise in Italy'a retail price index last February, representing an annual rise of 13.4 per cent. This is above the country's official target of an annual inflation rate of 12 per cent cent this yoar, and the Italian monotary anthoritica have warned that unless immediate stops are taken to correct the fundamental structural distortions of the economy and contain new wago increases, inflation is likoly to run at an annual rate of 13-14 per cent this yoar.

At the same time, industrial outpot, after the encouraging trend of the last quarter of 1978, appears to be faltoring, and the Italian National Employers Con-federation is already suggesting that industrial production is likely to decline steadily later this year. The country's halance Inis year. The country's halance of payments surplus, which totalled a remarkable L6.900hn last year, ia also heginning to fall, although the deficit of L34bn in the overall balance of payments in the first two months of the year was in large part due to the early repayment of inter-

national loana. Furthor worrying stgns have come from recent trade figures showing a L318bn deficit in the country's torms of trade in January. Whilo rocent returns indicato that the volume of trado may have been under stated, the January figures, which follow a deficit of L545bn in December, suggest the overall trade position is weakening aftor the spectacular perfor-mance of virtual halance achieved last year.

Co-operation and Development (OECD), recontly warned that the spoctacular recovery of the current balance appears to be largely linked with cyclical or special factors. The recent improvoment in the terms of trade reflects temporary fac-tors, and the pendulom might rapidly swing the other way in the event of a shift in the exchange rate relations with the leading curroncies and a riso in raw materials and oil prices." The improvement in the country's overall economic posi-

authorities were forced temportinuing to fare surprisingly well arily to close down the foreign exchange markot, has largoly been the result of skilful mune-tary policies and a clampdown on growth, which during the past two years has averaged barely per cent. The decline of the dollar and lower import demand dua to the recession also assisted the marked reduction in the country's crude trade deficit during this period. At the same time, record tourist receipts have had a notable effect on the invisibles account. However, the basic weak-nesses of the Italian economy have persisted. Unemployment is rising. The official figures, according to which about 1.6m people are unemployed, 7.5 per cent of the total work-force, only tell part of the force, only tell part of the story, since more than 70 per cent of the unemployed are

# Crisis

age.

Some of the country's key industrial sectors, including chemicals, textiles and steel, are in a state of crisis, and the threat of plant closures in the absence of rational rescue operations is likely to afflict, in particular, the depressed south of the contry. In turn, this threatons to widon even moro the rift between the South and the industrial North.

young people under 30 yoars of

In viaw of growing demands to stimulate growth, a draft three-year (1979-S1) economic recovery plan was drawn up by the Treasury Minister, Sig. Fillppo Maria Pandolfi, at the time. Sig. Pandolfi sold the object of tha plan was to take advantage of the favourable short-term economic situation hy putting into effect a mediumterm programme to lay the hasis for sustained and stable growth during coming years. The main purpose of the pro-

In its latest report on Italy, grame was to tackle the two the Organisation for Economic principal distortions of the country's economic system. In the first place, the public sector horrowing requirement, which according to the Treasury Minister had grown like the ten-tacles of an insatiable nctopus, was the reduced. In unchanged was the reduced. In unchanged per cent. Its oqually skiful aged to resolve, nren guiley, rircumstances, the PSBR, which management of monetary policy and mobtrusively. Their prob-had grown over the years to is in large measure responsible. Tems, A rese in minit is a small meet the excanding costs of a fur the spectacular recovery in has ward at Domoratico freat the country's current halance. Lewhorn which was recently deficits of local anthorities and the the country's current halance state sector industrial con-glomerates, whild frow to as much as 1.43.720hn this year, or the equivalent of 18.2 per cent a house response one of of industrial activity. tion during the two years since of gross domestic product; the 1976 ilra crisis, when the The other kcy feature of

plan stressed the need to contain time of renewed political ten-rising labour costs by avoiding sinns, they could nonetheless any real increases in wages, have severe repercussions. which have steadily increased in which have steadily increased in real terms during the last few years. Indeed, labour costs, which averaged an annual rate of increase of 8.46 per cent during the 1956-68 period, averaged 18.65 per cent during

averaged 18.65 per cent during 1976-78. Against thia, the nominal growth of fixed invest-ments has dropped from 20.6 per cent to 16.9 per cent. While in theory at least all the country's political forces endorsed the broad guidelines of the three-year plan, the recent protracted political crisis has effectively put lt into cold effectively put it into cold atorago. At the same time, the trade unions are showing no aigns of moderating wages in the course of the current renewal of an important series of national labour contracts, involving some 10m workers both in the private

10m workers both in the private and public soctors. Last January, according to the most recent official figures, wages for industrial workers increased by 15.9 per cent com-pared with the aame month the previous year. against a 12.9 per cont rise in the cost of living. Although this real increase is effectively regarded as still tolorahle, there is nonetheless apprehenaion over the likely impact of the new three-year impact of the new three-year impact of the new three year national wage contracts as a result of the seemingly inflexible position of the union rank and file. Against this goneral back-ground, thoro are now addod anxieties ovor the possible informal and international reper-

cossions of the recent accusations made against the Bank of Italy in connection with judicial inquirios into one of Italy's mainr chomical groups, Societa Italiana Reaine (SIR). The Bank of Italy has vigorously denied any irregularities on its part, and the country's leading economists and political person-alities have rallied to the central bank's support and oxpressed their "full confi-denco" in the institution,

the new European Monetary System, in which the lira was granted a wider margin of 6 per cent. Its oqually skilful

Italy's most respected and .. The other key feature of the independent institutions at a

have severe repercussions. With the return of Italy's international credibility and of the presence of the country's hanking system in international markets, the net short-term overseas indebtedness of Italian commercial banks reached nearly \$8bn at the end of January. At the same time, the sensational events of recent weeks could now also jeopardise weeks could now also jeopardise efforts by the hanking system to intervene in the salvage of a series of financially and structurally troubled groups through the setting up of special banking consortia. The failure to lannch these rescue operations would have obvious effects on employment. Despite the seemingly cloudy

Financial Times Monday April 9 1979

prospects for the Italian economy in the face of the country's continuing political country's continuing polifical uncertainties and the delays in introducing a medium-term recovery plan, such a surjey would be incomplete if raise ence was not made to an inportant and largely undere mated aspect of the econor This is Italy's so-called " merged economy" which claimed to create as many hetween 4m and 7m jobs. While there are clearly exact figures, at a conservation guess this sector alone, large made up of the so-called "blac and "double" labour, contribut an additional 10-15 per cent the country's intel grass dome tic product. The "submerge

economy " flourishes principal and medium-sized industrie that are often regarded asoth-more profitable and versatile

end of the economy. Although this sector of the economy has also been affected. by the difficulties of the past few years, when left to its own devices it has fared surprisingly well. It has continued to perform accressively on export markets and has reached a."modus vivendi" with the labour fores.

Indeed, the Bank of Italy has In contrast to the large Indus-largely been responsible for trial conglomerates. Italy's skilful negotiations over Indoed small- and medium sized industries represent the effective backhone of Italy's economy. They have even man agent to resolve, uften quietly

Paul Betts

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# **Trade unions**

# Moderation at stake

one of the most important in recent years. Most obviously 10m workers from the entire spectrum of industry are in the process of renogotlating thoir national contracts to cover the poriod until 1981.

The outcome, in sectors ranging from key engineering and mochanical companios such as Fiat and Olivetti, to the chemical industry, farm lobour-ing and the crisis-hit national construction industry, will con-dition-perhaps more than any other single factor-the Italian economy's development for the next few years.

At a deeper level, though, there is at stake the whole moderate stance of the unions, commonly held to have migin-ated at the 1978 Rome congress of Italy's equivalent of the TUC, the federation of the three major Itatian unions, CGIL,

The ditemma of the movo-mani mirrors that of the Com-munist party, with which it has close links, at a political level: of its nwn "historicat com-promise," whether to press on

The double character of the unions, seeking both to be partner in political dialogue and defenders of the narrow interests of their members (the shree big confederated unions have 8.5m registered members), is illustrated clearly by the demands outlined in the first contract plotfnrms to emerge, and above all in the claims of the 1.5m inctalworkers, who traditionally act the pattern for Italian pay pargamany Motalworkers' leaders are seeking a cut in the working week from 40 hoors to between 36 and 38 hours, a specific shift of investments towards the Mczogiorno, the country's depressed sonih, a greater say in corporate planning fithe debate over industrial democ racy 15 growing, somewhat a more delicate political a more delicate political weeks on end. In the antumn That phase is they will adopt a order a fresh ware of strikes. may be that they will adopt a nere many of which—like those more American stance, keeping of hospital workers which saw elear of too close an involve-unions with other problems ni a more delicate political weeks on end. In the antumn That phase is they will adopt a nere a fresh ware of strikes. may be that they will adopt a nere many of which—like those more American stance, keeping of hospital workers which saw elear of too close an involve-unions with other problems ni a more delicate political weeks on end. In the antumn That phase is they will adopt a nere a fresh ware of strikes aw elear of too close an involve-unors sent in in keep basic ment. It's an ardon business a more delicate political almost nn control. The most Agostino Marianetti, Sig. Lamo's signification of all was deputy. Whether it can be this February and Markow will depond show all this February and Markow will depond with a political developments.

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FOR THE Italian trado union formidable porcentage increases movement, 1979 is likely to be one of the most important in unions, with whom their Italian counterparts are so frequently compared. But, in fact, it is an increase over and above the provisions of the Scala Mobile mechanism for automatic wage indexation, which for salaries

tection ngainst increasos in the cost of living. Despite hostility to the Scolo Mobile from Italy's orthodox economic establishmont. on the grounds that it merely builds infintion into the system, the Government has accepted that the device cannot be dropped.

That L30,000 therefore is an extra L30,000 in real purchasing power.

This amhigully threatened to undermine the three-year economic recovery programme of Sig. Filipph Maria Pandulfi, the Treasury Minister, heforo it was overreduce Halv's corrent 1.6m-strong army of jobless. taken in January hy the Govern-ment's collapse. Slg. Pandolfi's

hopos of containing labour cost or its nwn "historicat com-promise," whether to press on which woold ensure no real with a programme that appears increase in purchasing power to be enafusing and nlienaling over the rise in productivity. much of the rank and file. The deals

heen replaced, doadlock remains between the unions and the employers' association, Confindustria. In recent weeks Sig. Guido Carli, the organisa-tion's president, has speit our time and again his opposition to the calta for higher pay and for industrial democracy. The same hard line has been reflected so far in the individual sector-hy-sector negotiations.

The absence of an aothorita-Italian pay bargaining rounds, tive government in act as

hostesses and stewards of Alitaila and Ati paralysed the. This amnont may not seem damaging the electoral pros-much in comparison with the pects of the Communists?

The signs are that they will national airlines for more than take a careful middlo course, a month. with regulor strikes but not of Italy was offered the spec-great length or intensity. Mean- tacke of "battle committees" of while parallel talks with Con-militants in seemingly per-findustria have been broken off manent moeting at Fumicing amld wholesale disagreement. Airport, Rome, while Ministers over job multility unregistered and loaders of the official labour and onemployment unions wont vainly through the of up to L400,000 (£240) per among the young. The unions motions of trying the negotiale month offers 100 per cent pro- evidently, hepa to secure from a settlement, and Alitalia iself individual employers what they would not be able to wring to do with the strikers. from thom coltectively. Wildest lodustrial action has from thom collectively.

Moderation

Before the Andreotti Govern-

country's domestic and inter-

But the authority of the only heightened the difficulty of movoment is most starkly chal- the union movement in retain-lenged by the so-called ing its credibility, already sorely " autonomi, the smaller inde, triod by the inevitable political action his noised undermine at its units and cohesion. at its unity and conesion. the whole understanding, how-At the same time its authever precarious, on which the previous maderato line rested:

has beed reduced by the et-dent prosperity of the so-called "snbmerged" economy, csil-mated to account for np 10 15 that the unions would be reasonable in pay, in return for a gonuine increase in investments-abore all in the Mezzogiorno to create new jobs and

flatly refused to have anything

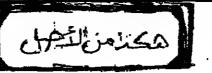
or 20 per cent of the country's total GDP. The fact that much of the vitality of this sector is due to the lack of a ponderous official union superstructure cloarly uses nothing to restore the standing of the centratised movement. Its leaders may hold ment felt, it was evident that labour was taking a toughor approach, proclaiming its disforth against the iniquities of the underground economy, and

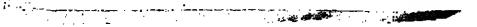
satisfaction at the measures proposed by the Pandolfi pian. the poor social protection of those who gain a living there, but every aign is that this sec-Much water has passed under the britise since Sig. Luciano Lama, the secretary of CGH. the blagest union, had declared tor is growing more vigorously thankny other. The main task now for the

In a January 1978, newspaper unions, as their leading spokes Interview that "we accept that man, acknowledge, 15, to win the economy will not withstand back the must and confidence too many unknown variables." and publicly advucated wage moderation. of the ranke and file. They admit that they have been lured two closely into the embrace of the The autonomi began their politicians, particularly at 3 campaign last summer with a time of proclaimed "national series of wildcat strikes that

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**Rupert Cornwell** 





ITALY III

Politics

# Once more on the brink of elections

brink of a general election. Moro's policies. following the collapse of the Before pullin alliance between the country's Hamentary majority, the Comtwo main parties—the Christian munists broke ranks and voted Democrats and the Communists, against the minority Govern-which between them account for ment on two occasions. First, more than 70 per cent of the they voted against the decision electorate.

electorate. With a peculiar sense of dra- immediately into the new Euro-matic irony; the alliance has pean Monetary System; and sub-broken up practically a year sequently voted against the after the death of Sig. Aldo nominations of the new chair-men for the country's largest leader of the Christian Demo-State corporations. crat. Party), kidnapped and The Communists inated by extreme leftwing Red Brigade extremists,

some 12 months ago. parties, which, by an equal sense of dramatic irony, came to frui-tion-on the very day he was Kidnapped with the formation. them opposing any future gov-of Sig. Giulio Andreotti's fourth ernment n which they were not government.

the Communists and Socialists. together with the backing of made a new general election inthe smaller Republican and evitable. Social Democrat Parties

. The alliance enhanced the pre- Party's hard line and its desence in theh governing processof the Communists, who, aince the inconclusive general elec. Unity" are also a reflection of tion of June, 1976, bad only its own internal difficulties. The given their external support to Communists found the alliance a minority Christian Democrat uncomfortable ... The party administration; without actually bringing them directly into rovernment.

# Concept

12) 2

The fundamental concept was to enable the formulation of an. all-party programme to tackle the country's most pressing economic, social and law, and order problems, while laying the basis for a truce between the, larly the leadership-has been two main parties.

this essentially unnatural and generally distasteful alli-governing alliance was cracking ance with the Christian Demoin the face of renewed hostili- crats,

ties between the Christian Demo- The party's long-charished reflects a marked disaffection if the long ruling party con- To a large extent, these fac-crats and the Communists. The policy of the "compromesso among students towards the tinues to oppose the direct tions forced Sig. Andreotti last latter have lately publicly storied, 'or grand alliance of Communis: Party, which has at participation of the country's December to take Italy im-accused, the studing party of all democratic forces, which the same time seen new left-breaking the collaboration part would have eventually brought wing grouplogs galo support future government.

ITALY IS once again on the and of no longer following Sig. Before pulling out of the Parof Sig. Andreotti to take Italy

The Communists have since firmly unambiguously and stated that they could only colsome 12 months ago. Indeed, it was Sig. Moro who called "National Unity" if their was perhaps the emain advocate mambers were included in the of that policy of collaboration cabinet. Indeed, at 15: 15th between the country's two main National Congress in 'Rome at narities which he are sized server the and of last month the narity the end of last month, the party indicated it intended .pnrsuing this hard line which would see directly represented.

The same time, the same time, the same time, the same in which the minority Christian Democrats bave re-Government of Sig. Andreotti jected with equal firmness the was supported in Parliament by presence of Communist cabinet ministers. This deadlock bas

> However the .: mands for direct participation in any government of "National leadership has increasingly come noder attack from its left and it bas seen, after some 20 years of almost uninterrupted electoral advances, its electoral

Communist Christian Democrats.

support decline in regional elec-tions last year. Indeed, since adopting a hard line, the Communists are apparently regain-



The principal interest in Italy's forthcoming general election lies in whether it will give the Communists grounds for a direct role in government. Above are the leaders of the major parties: left, Sig. Benigno Zacchagnini of the Christian Democrats; right, Sig. Enrico Berlinguer of the Communist Party.

Uoion bas contioued to generate " autonomous tensions not only between the uoloo members. various Italian left wing parties,

but also within the party. Ing some electoral ground. Furthermore, the internal helped to re-unite the party, ambitions. Io view of the key Communist Furthermore, the internal helped to re-unite the party, ambitions. Congress at the end of last organisation of the party based although the Coogress has At the same time, the appar-month; the party—and particu- on the principle of "democratic seemingly strengtheoed the left ent electoral decline of the centralism" has also come under aod left-of-centre factions of the Communists io regional polls seeking to revive its image tar. criticism from the party's base, party. In any event, it has con- last year added weight to the Yet, as soon as it was formed, nished by the uncomfortable while another worrylog sign bas firmed that the broad policy the right and centre-of-right is essentially unnatural and generally distasteful all- been the drop of some 20,000 is party is likely to adopt in of the ruling party, which have the total number of signed-up members, last year. This largely

growing difficulties of the trade out of At the same time, the Com- unioo leadersbip to control the majority, the blame equally munist Party's ambiguous union rank and file and rests oo the Coristiao Demo-position towards the Soviet the militancy of so-called crats. The death of Sig. Moro Upon has continued to generate "autonomous" oppositioned left a vacuum at the top of the oon-aligned left a vacuum at the top of the traditionally faction-torn pary.

Io a sense, the imminent fuelling electoral confrontation has personal coming mooths will be one of always opposed any deal with opposition. That is, of course, the Communist Party.

ment, appears to have failed so of the pressures the Communist Party effectively brought about munist Party to immediate far, at least as a result of the Party has been facing during the collapse of the former entry. In turn, this led to the intraosigent position of the the last few months is the governing alliance by pulling deferioration of relations bedeclared opposition of the Comtween the two main parties-at a time of already heavy tenthe Parliamentary sioos, and eventually to the final split. Indeed, in the aftermath of the Moro tragedy, some signifi-

internal rivalries, jeaiousies. and

centre-of-right 3g0. late Sig. Aldo Moro (the party presiden), Sig. Beoigno Zccagaod

tion with the Communist Party. But the right-of-centre now dominates with Sig. Flaminio Piccoli and Sig. Carlo Donat in the European polls. Cattin as president and deputy The main error secretary general, respectively. For his part, Sig. Donat Cattin has lately been one of the main critics of the Communists and

oppsed in no mean terms any agreement which would give the Communists a direct voice in Government In any event, in the current trend of possible Christian Democrat electoral advances at the expense of the Communists,

the ruling party has no inten-tion of making any significant concessions to the Communists. Indeed, the ruling party-or at least certain factions within it-bave been making overtures to the Socialists and to some of

1At a Lia

the other smaller parties, to seek an alternative governing alliance in view of the Communist opposition to any compromise excluding them from Government.

In this respect, the Socialists, Italy's third largest party, holds the crucial balance between the two main parties. However, in recent months, the strategy of the Socialists bas been somewhat ambiguous. On the one hinted at this in his lengthy hand, they have rejected any onening address at his party's hand, they have rejected any return to the old centre-left formula with the Christian Democrats. On the other, they appear reluctant (despite their public declarations) to advance

concretely the concept of an alternative left governing alliance with the Communists. The party, after its disastrous performance in hte June, 1976, general election, has been attempting to revive its image

and recover the electoral ground lost. Over the last 12 caot if discreet changes which bave been taking place inside the ruling party, bave clearly months, while criticising on the surface at least the ruling increased the suspicions of the party, it has sought to erode Communists. The balance bevotes from the Communists by tween the so-called right and questioning the larger party's left wings of the party haa' cer-tainly been modified. A year pbilosophies and attacking the concepts of Marxism and the Christian Democrat leadership was made up of the Lenioism.

However;-it bas proved a dangerous strategy. It now risks to backfire on the Socialists. who have preferred to go to the polls after the European elections in June. These are

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the broad policy of collabora- generally expected to enhance the party'a position io view of the encouraging prospects of the socialist parties as a whole

19

The main error of the Socialists was perbaps to underestimate the Communists, who clearly were not going to sit back and see their electoral position progressivly eroded by both the Christiao Democrats, through the old alliance, and

the Socialists by their persistent attacks against Communist ideologiesa nd philosophies. Against this background of political strife, Italy has irevers ihly moved towards a general election.

The question, of course, is what happeos next? Given some gains by some parties and losses by others, the fundamental picture and balance of forces, however, are unlikely to change dramatically.

The options, at this stage at least, appear broadly to be two, After the electoral confrontation, ao agreemeot could eventually be reached between Communists and Christian Democrats, which would inevitably enhance the Communist Party'a presence in government. Sig. Enrico Berlinguer, the Com-muoist Secretary General, muoist Secretary recent Congress hy reiterating bis commitment to a policy of full co-operation between Communists, Socialists and Christian

Democrats. Sig. Giulio Andreotti, the Christiao Democrat Leader, also indicated that without the cooperatioo of the Communists, wbatever the election risuit, it. was difficult to give the country a stable government.

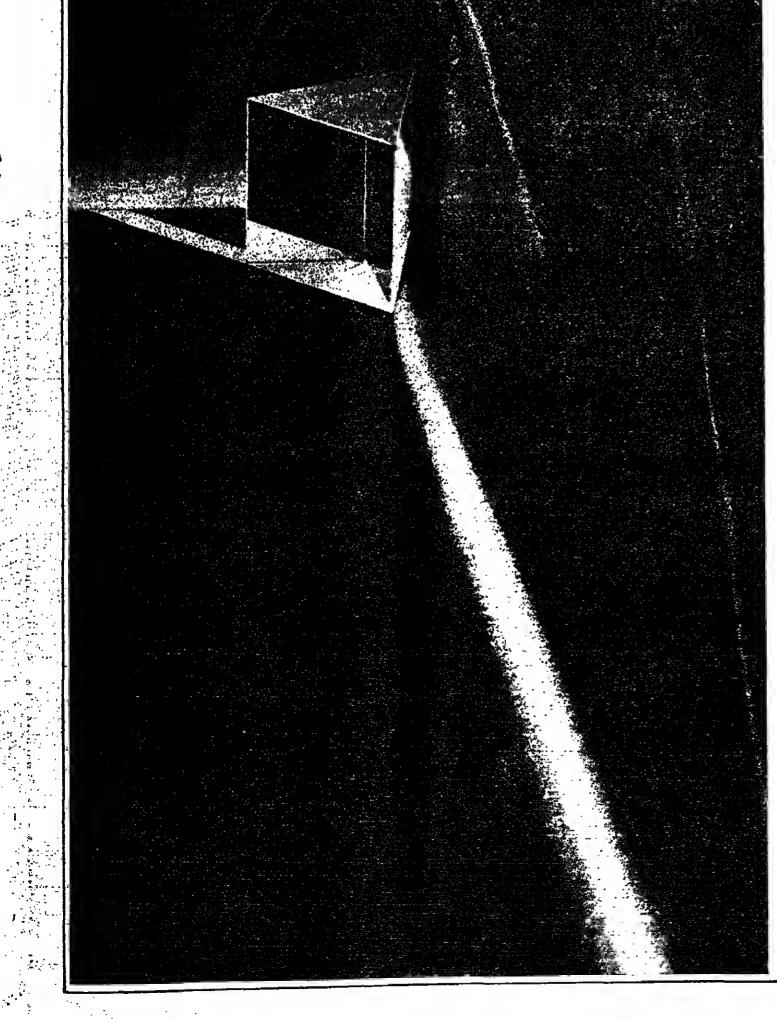
The alterantive would be an alliance, modelled on the old centre-left formula, which would see the Communists in opposition and a coalition of Christian Democrats, Socialists and some of the couotry's other smaller parties. At this stage, it is difficult to see how the cards will fall and which of the two main parties will be the first to ease its present intransigent

stand. In any case, the situation will only become clearer after elections **Paul Betts** 

nini (the secretary general), aod Sig. Giovanni Galloni (deputy secretary geoeral). They were all Identified with 1.

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# ITALY IV

# Banking

# new-found confidence

NOTHING PERHAPS illus siderable euromarket finance, trates more graphically the often at rates rather cheaper attractiveness of Italy as a than on the Italian domestic banking centre than the num- capital market. ber of foreign banks queueing

ber of foreign banks queueing up to establish representative offices and branches in the country. In many ways it bas all the necessary prerequisi-tions. Italians are by nature keen savers, and the lack of a worthwhile stock market and outlets for risk capital, and the difficulty of exporting capital. difficulty of exporting capital, mean that they have little choice but to put their money in bank accounts.

The so-called "Italian risk" new world confidence in Italy, stepped up their external indebtedness to \$5.6bn at the end of 1978 from under \$500m

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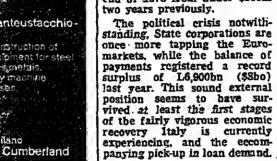
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Knocking

It is not surprising, therefore. of 28 years, proclaiming its intention of competing for buslness from the major publicly

# It is not surprising, therefore, indice that it is not the bark of that the foreign banks are Italy to carry out industrial knocking at the door. In Feb- policy." Credito Italiano, one ruary Barclays reopened a of the "Big Three" banks branch in Rome after an ebsence directly controlled by Istituto of 28 years, proclaiming its per la Ricostruzione Industriale. owned corporations. Not least of its advantages is access to con-

**DESIGNS AND CONSTRUCTS** 

INDUSTRIAL PLANTS

WORLDWIDE

The arrival of four foreign banks in Milan in 1978 pushed the total to 16, with a further six reported in February to have made similar applications. Italy has been dubbed a "banking Eldorado," not without reason. Unlike the Italian banks, mainly State-controlled and hemmed in by a variety of restrictions and obligations, the newcomers can

concentrate on the "wholesale" end of the banking business. by largely ignoring "retail" activithreat of a political/conomic breakdown—now looks more ing official foreign debt in con-siderable quantities, and the outstanding foreign debt of the from \$5.5bn to \$1.5bn. In the opposite direction, commercial banks, taking advantage of the new world confidence in Italy. -that shorthand phrase for the ties like personal accounts, they threat of a political/economic can keep down costs by stream-breakdown-now looks more lining staff needs. Not surpris-remote than for a long time. ingly, local banks, unused to battle into enemy territory by opening a branch in Frankfurt in West Germany.

A large pert of the uncertainty of the Italian banks standing, State corporations are stems from the ambiguity of their position. In part, they are fally fledged competitors for deposits and active internationally, in part under strong pressure from the Government to play a prominent role in the rescue of certain "lame ducks," particularly in the chemical sector, which litter Italy's industriel landscape.

"It is not for the banks," Dr. Paolo Baffi, goveroor of the central bank, has declared, "to solve industrial problems any more than it is for the Bank of (IRI), the State holding company, eppealed in similar terms in its 1978 annual report: Banking bas always meant

one thing granting credit to creditworthy companies." It is thus easy to understand why there has been such difficulty in putting together a banking consortium for the

Sir chemical group, one of the worst-hit enterprises, with estimated debts of L3,000bn, and the enduring, if dramatic, problems of Liquichimild group. 1055 the

#### Difficulties If there is a measure of rough

justice in the idea of benking consortia, given that continuing high interest rates have contributed to the acute financial ception of a few specialised medium-term credit bodies like the State-controlled Medlo-banca and Imi) from the sort

do no barm to bank profits. The biggest of them remain one of the few components of the pub-lic sector to be in the black, with an estimated 1,300 credit and savings institutions of all kinds. possessing some 13,000 branches acattered over the country; Italy is often said to be overbanked. Bank employees

The Bank of Italy office in Rome.

have an average annual salary the equivalent of \$18,000, around double comparable earnings in industry. And as anyone who has witnessed the small army of clerks involved in even the simplest of oper-ations like cashing a cheque can confirm, overstaffing is eudemic. The first of the 1978 crop of results fully bears out the include some of the biggest bumper conditions enjoyed by private banks in the country. the banks lest year. Banco di Shares in Italcementi, bis Roma for example, which has hsd its troubles in the past, reported a 30 per cent rise in donaite and a 50 per cent rise in deposits and a 60 per cent jump in net profit to L10.95n. Credito · 1246-24

Italiano, another of the "Big Three," announced last month a similar leap to L14bn; from L3.4bn in 1977, although its total deposits climbed by a more modest 10 per cent: For the moment the position

Milan Bourse price. Only 162 companies are. quoted (just one of them foreign), even though, brokers claim, a further 1,000 might be were conditions more appealing. Matters are made worse by the very high yield offered by Government bonds, which share

trades in a day and a half what Paschi di Siena, Milan manages in a year. A case to illustrate the basic : difficulty is the manoeuvring now under way to reorganise the empire of Sig. Carlo Pesenti, the Bergamo-based financier whose boldings include some of the biggest

and down like a vo-vo amid f most exotic speculation. inev confirmed, never denied; his exact intentions.

Sig. Presenti was, how responsible for one of the biggest developments in Italian banking world in Government bonds, which share past 12 months the Seson yields can bardly hope to match. sale of Credito Commercials. The result is that Wall Street which he owned, to Monte, doi the Stafe controlled bank. This expanse of the public sector was opposite

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by Communists and Socialis s publem. S ; elleren on the Loft, but eagerly back by the Christian Democrate, who held a majority on the Siena bank's board. Such-the 12 201 1 the political oddities of Italia banking life. Sars inn adapted 10

difficulties of some groups, the banks are entitled to ask why they should entangle themselves still further-with risky consequences — in ventures which are patently unviable. Their doubts are all the more understandable in that by law they are barred (with the ex-

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fice: NOVARA. (Italy As at 31<sup>®</sup> December 1977 Share capital: Lit. 6,852,683,000; Reserves and Funds: Lit. 170,862,594,396. As at 30th September 1978 Deposit and current accounts over Lit. 5,200 billion. 338 Branches in Northern: and Central Haly. Representative Offices in Bruss Caracas, Frankfurt am Main, London, New York, Paris and Zurich, Adviser in Moscow. LONDON REPRESENTATIVE OFFICE 299 Selabury House, Finabury Circus, London EC2M / Telephones: 01-528 0237/8 Telep: 657239 ROVBA G Cables: MOVARBANCA LORDON EC2 IN ECZN BOO



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ITALY V

Agriculture

# Paying for neglect

LAST YEAR, after two years of slump. Italy's agricultural output showed a slight upturn in absolute terms. Yet it con-tinued to fall, as it has for years, with respect to the pro-duction in the rest of the Common Market

At the end of the second world war. They was a net exporter of food. Today it is a net Importer, and its deficit is increasing — 6.000bn in 1978, 9005n more than in 1977.

9000n more than in 1977. This is partly the result of developments common to recently instructured com-thiss According to the Ministry of Agriculture. Italy's popu-lation has increased by 20 per cent. In the past 30 years and its consumption of food by 400 per cent. Before the war the great mass of Italians ate little or on meat; now it forms a stan-dard part of the dist. Not sur-pringingly, the greatest single againmutural import is meat. But food, exports have not risen agaicultural import is meat. But food exports have not risen sufficiently to counteract this, and in the confines of the EEC faun-produce has a limited out-let. Today the country that used to be called the "Garden of Surope" has a food deficit second only to its oil deficit food subsidies from the Com-munity tend to benefit the high-elimiency farmers of Northern Europe rather than the peasant spriculture of much of Italy. spriculture of much of Italy. Italy, despite its extremely large agricultural sector - 10 including under a ployter 1 including under a ployter 1 of the active population is is second only to Britain as a net contributor to the funds of the Common Agricultural Policy. Italy, in short, has an agricul-tural problem despite advances in some sectors in recent years. Parily, this is a question of geography. Much if Italy is mountain and hill, and has very poor soil by any standards. If Northern Italy, the great plain of the River Po, covered the entire country, there would be no problem. But the peninsula

-no problem. But the peninsula is a different matter, especially the arid limestone, and clay hinterlands of the South. Inter-does not explain everything-Swiss farming is profitably adapted to its geography after all--but it has increased the difficulties. of Jaunching a modern agriculture. The classic problems, though

The classic problems, though, are those of planning and invest-ment, and these also reach their extreme in the South, The Italian state has yet to confront them in an Adequate manner, able parts of Europe. In Until the mid.1960s, when the Tuscany, during the last decade food deficit hegan to rise

A sheep farm in the province of Pavia in Northern Italy.

justly famous: the mixture of of technology; he often has no (often, as in Gioia Tauro in treecrops (such as olives and access to it, and on his own Calabria, on prime agricultural fruit), vints and, disparsed curnot afford h. Landy, and it has subsidised between them, cereals (as in Traditions of agrarian soli-Tuscany and North and Central Italy) or the more differentiated fields of corn and vinewards, intermingled with pasture (in the Appenines). For the needs of modern Italy, however, they are too inefficient, and all too often, paracularly in the south, communal and they represent generations of rural misery.

But to change them requires planning, an enormous amount of determination and sizeable governments do the same. investment. Peasants have been traditionally reluctant to uproot their lifestyle io favour of an incertain future that they are told about by experts, and the problem of attitudes is another that the Italians have to confront.

In the north-cast, the rich region of the Veneto, agriculture has always been relatively sophisticated, and recent entrepreneurship has kept it up to the standards of the most profit-able parts of Europe. In the old landscape has begun to Molise each farmer will have his

structure of agriculture has been neglected. It is still seen more by the peasants as a provider of lump subsidies( in darity in central and northern Italy have given rise to peasant co-operatives which can afford investment in new methods. Furthermore, in the traditionreturn for political support) than as a financial aid to

ally left-wing regions of Emiliaspecific development plans, Romagna, Tuscany and Umbria The anomalies or Italian provincial governments have been pre-pared to make substantial conagriculture are many. Agricul-tural land is still being contributions to agrarian improveverted to viticulture, but Italy ment, and the new regional cannot sell the wine it produces. Italy imports more and more meat, but stock-raising has actually fallen over the pest 50

years as the coastlands tradiflohally used for summet graz-ing has been reclaimed for agriculture In the South this rarely

bas billions of unspent lire. Much of the South has always been a zone of independent dis-trustful peasantry, unwilling to co-operate with each other, Agaiost this background, the political parties now all agree that planning can no longer be avoided. A lew passed at the end of 1977 provides the basis preferring to rely on patronage for Italy's first overall agriculform above; the land reform of the early 1950s tended to strengthen this attitude. If In tural plan since World War II. but details are still lacklog for two of the most important sectors: stock raising and fruit Romagna 'a co-operative will buy a large efficient tractor, in growing. Two other laws passed last year are aimed at promot-ing co-operation among farmers



Net profit for the year Lit. 4.897.083.040 (increased by 21,10%): Lit. 1.800.000.000 to the shareholders Lit. 3.000.000.000 to the Ordinary Reserve.

Dividend per share: Lit. 180 (last year. Lit. 150 p.s.). Customer's deposits amounted to Lit. 1.632.367.034.821 (+ 23,50%) and

advances to clients rose to Lit. 704.022.373.690 (+ 18%). All sectors achieved good results: secu-

rities turnover showed a profit of Lit. 12.938.000.854, foreign activities were further improved and figures regarding foreign exchange transactions' profits were Lit. 1.285.362.551.

Documentary credits, endorsements, guarantees and acceptances continued to grow and totalled Lit. 144.435.818.166. The bank is net supplier in the interbank

markets. Personnel: 1622 people were employed in 1978 (+ 7,7%).

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CREDITO COMMERCIALE

Milan, Italy

governments had De destroyed emphasised industrial develop, culture cash-cropping, particument at the expense of agriculure. With some exceptions, griculture still tends to become orm agricultural products), and, ew of the profits are recycled

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plough uphill (and ploughing downhill only contributes to larly of villes and fruit. Here cultivators are beginning to erosion). make use of the potential of A natio A national fund to help the

Unspent

irofitable only after industry 20th century agricultural tech-oves in (for example, to trans- niques. In the South though, in but it has not seen its role as Calabria or Molise, a peasant promoting the details of smallthe agricultural sector may buy a low-cost new tractor scale agrarian improvement. tsolf. Taly's agrarain landscape is rarely exploits the full potential roads, prestigious factories

at market level and putting to agricultural use land that is now lying fallow. There is much scope for development, and individual success stories, particularly in the North, are many, but agriculture has become "too important to be left to the agriculturists."

Christine Lord

# An amazing recovery

capital goods.

Trade

ing under the weight of higher the world. oil prices and widely regarded Operating as the "sick man" of Europe, guise almo This boom is the result of both the flexibility and innovative capacity of Italian companies and the conscientious efforts by the Government to help ex-porters win new markets, particularly among the oil exporting nations.

fourth year running. It brought the trade account almost into balance and boosted the current account into a surplus of around \$6bn. Exports also helped to maintain business activity within Italy at a time when domestic demand was. rather sluggish.

Official trade figures for the elections. Governments in Italy whole of 1978 show a deficit of come and go, but there is little just over \$400m, sharply re- doubt that his contribution to duced from the 1977 deficit of Italy's foreign trade campaign nearly \$3bn. Oil was still Italy's main import item, cost-ing around \$8.8bn, but stable oil prices and the weakness of the dollar meant that the net cost of all imports in lire actually diminished slightly from the previous year, while the trade surplus on other products bounded strongly anead.

Much of the credit for this performance must go to Italy's short-term export credits and Foreign Trade Minister of widened the range of insurable nearly three years' standing risks. These now include nation-(until the recent change of alisation of the importer and government), Sig. Rinaldo of Italian investments abroad, temporarily suspended new in-Ossola. A former Director- and failure of the buyer to take surance husiness with Iran

ITALY'S EXPORTS grew in General at the Bank of Italy, utility, uti

Operating under commercial guise almost as an unofficial Foreign Minister, Sig. Ossola average over 20 per cent. recently became the first Italian A rotating celling of L5. Government Minister to visit (nearly \$6bn) has been s Albania since the last war. He has also been the first Italian while annual ceilings are set in Minister to visit East Germany, the Government budget for in-Minister to visit East Germany, the Government Judget for in-where he set in motion nego-tiations for a \$500m trade credit For 1979 this ceiling has been to finance purchases by that set at L3,500hn, hut Sig. Ossola country of plants to be built by Italian companies, and the first for a decade to visit Czecho-alovakia. It helped raise Italy's share to finance purchases by that of world export markets for the country of plants to be built by

Sig. Ossola'a recent removal from the Trade Ministry in the formation of a new government has been interpreted as a sacri-

fice to political party pressures underlines Italy's efforts to win within the Christian Democrat trade with the oil countries and Party ahead of forthcoming elections. Governments in Italy Italy's foreign trade campaign will not quickly fade away. Probably most significant, on

and L890bn were credits to dea long-term hasis has been Sig. veloping countries cxcluding Ossolas reorganisation of Italy's OPEC members. Of the L1,171bn export credit guarantee system of short-term credits insured last year, L926bn covered exports to OPEC countries. in order more adequately to service Italian exporters in their Overall, the OPEC countries fight for foreign markets.

The Ossola "Law" as this package of measures has been dubbed, introduced for the first took 51 per cent of official Italian export credit insurance last year and the centrally time Government insurance for planned economies 25 per cent, with Iran, Algeria, the Soviet Union and Poland among the higgest single beneficiaries. Since late last year Italy has

where the State export credit insurance agency SACE has an exposure of around L1,200bn. But while there has been concern about the future of some Italian contracts in Iran, trade officials express confidence that major projects like a port and steel-works at Bandar Abbas in Italy's major competitors, which A rotating ceiling of L5.000bn (nearly \$6bn) has been set for southern Iran involving Italian groups will go ahead.

short-term credit insurance, while annual ceilings are set in Poland and the Soviet Union have been eager customers for Italy, and the Soviet Union recently put forward a request for new trade credits to supple ment substantial existing facili ties which have already been fully utilised. Concern over the high overall foreign debt of East European countries, estimated at around \$50bn; may tend in A glance at the geographical distribution of export credit insurance business in 1978 the future to slow down the growth of official credits to these

countries. But Italy, like other Western industrial nations, nurses high Eastero Europe. Out of L3,516bn hopes of increasing trade with China, where a number of major of medium-term credits insured last year, L1,465bo were credits to open countries. A further L1,137bn covered export credits companies like Fiat, Montedison and ENI are negotiating for contracts. To help their chances to centrally planned economies the Italian Government recently agreed to extend to China a Sibn trade credit, details nf which are on the point of being finalised.

An upturn in the domestic economy and higher oil prices are likely to cut into the trade balance this year, but the overall trade outlook remains positive. According to recent official forecasts, exports could grow by more than five per cent in volume this year, maintaining their role as a major factor in economic growth.

By a Correspondent



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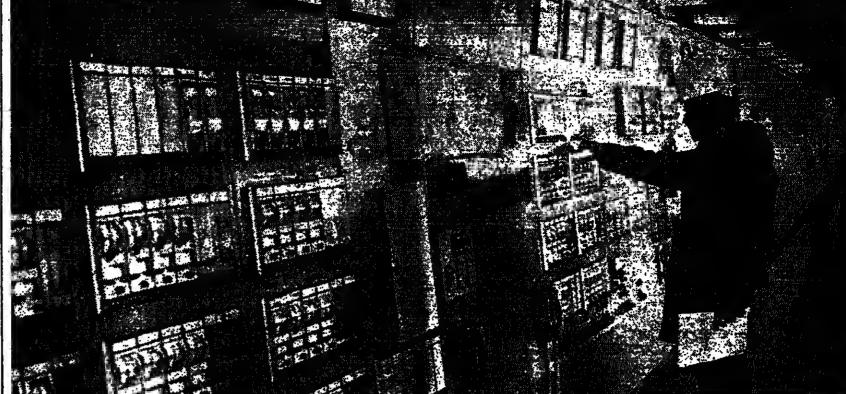
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ITALY VI

The control room at the ENI Po Oil Refinery at Sannazzaro de Burgondi in Northern Italy

# The public sector

# Living down scandals

THE TWO biggest state corpora-tions, IRI and ENI, have been given new chairmen al a time when the image of the public sector has seldom been so low. A formidable task faces Signor Pietro Sette, who moved across from ENI to head IRI after the 18-year chairmanship of Profes-sor Gluseppe Petrilli, and bis successor at ENI, Sig. Giorgio Mazzanti.

An unwelcome light on some of the state sector's lesser pub-licised activities is cast by the series of scandals that have been emerging after 30 years of un-interrupted Christian Democrat rule. Once the Italian state public ownersbip formula (wbich allowed managers in theory to operate as competitively as their private cnterprise counterparts and which admitted connerparts and worth admitted private alongside public share-holdings), was held up as an enlightened method of applying modern management techniques to the acbievement of govern ment strategies. Now it is difficult to find anyone with a good word to say for it. Even Senator Cesare Merzagora, the respected ex-president of the Senate, who is chairman of the Assicurazioni Generali Insurance group, wrote in a recent letter to a newspaper of state sector firms manipulating black funds through continuous falsification of accounts."

Years of political mismanagement and interference have left uniformly negative. Under the

accounts, often when private competitiors in the same fields bave remained profitable. An analysia in the Milan Corriere Della Sera estimated that the net losses in 1977 and 1978 of IRL ENI and EFIM (a smaller by the financier Sig. Michele conglomerate active in the aluminium, mechanical, food and tourism sectors) amounted Sindona, who is fighting charges in the courts of both the United States and Italy.

to L1,200bn or about £700m. It put their indebtedness at L25,100bn (about £14.7bn), or over 12 per cent of gross national product. In 1276, the latest year for which statistics were available, the companies in these groups, employing over 600,000 people, recorded combined turnover of L26.000bn (£15.3bn). about

There used to be a fourth conglomerate, EGAM, operating principally in the special steels, mining and textile machinery sectors. Its mismanagement was so blatant that the Government ordered the liquidation of its beadquarters in 1977, and its lossmaking subsidiaries were divided up between IRI and

ENI. Another state holding corporation, GEPI, falls into a differnet category. It too makes losses, but it was formed specifically to nurse ailing companies back to recovery, so even Its achievements bave fallen sbort of expectation. the same criteria for profitability and efficiency do not apply.

The picture, however, is not

like Banca Commerciale Italiana areas, complains of heing avoid appearing in the Li and Credito Italiano. Profitable, starved of profits because the beed corruption trial, in with well run, and with international .Government refuses to accept be received a 28 months prime. well run, and with international reputations. A third, Banco di Roma, is recovering from involvement in the beritage left

Government refuses to accept Its application for higher tele-phone rates.

#### Failure

On the other hand, public sector groups bave failed in their task when private sector rivals are profitable. In motor cars, Fiat's profits bave been matched by a stream of losses from Alfa Romeo, burdened by its ill-managed Alfa Sud ven-ture into the Mezzogiorno. In food and confectionary Unidal -a merger undertaken by IRI between Motta and Alemagna-has a lamentable record when compared with private concerns like Ferrero or Industrie Buitoni Perugina.

certain transactions by a financial subsidiary have come under examination by magis-trates investigating the scandal All together, the results of the public sector are a dismal testimonial to what, when it is not Government mishandling, is at Italcasse \* (the cent institute of savings banks). central at best an absence of Govern-The champlons of the state ment strategy. Giola Tanro is a sector claim that poor perform-ance is often exclused by special when the expansion of the big circumstances sutside their Italsider steelworks at Taranto control. A large phase of IRI's was still thought to leave some losses, for example, come from spare demand for steel, the steel, shipbnilding and solpping government of the day decided case in point. In the early 1970s, when the expansion of the big Italsider steelworks at Taranto (under the Finsider, Fincan. on a fifth integrated steel com-tieri and Finmare bolding plex at Gioia Tauro on the coast groups respectively), all of of Calabria. This was a rich them in a state of international agricultural area, far from in-crisis. Even so, the state can be dustrial centres. For political

criticised for continuing to reasons, the plant was to be operate passenger liner services located there to create employ-with Finmare companies for ment and assuage the discontent

sentence.

The ENI group has managed to retain a reputation for professional competence. and some operational subsidiaries are among the top companies in the world in their sector, such as Snamprogetti and Salpem in consultancy, plant construction and engineering for the petroleum industry. ENI, however, also has its weak points, notably its troubled chemical and textile subsidiaries, while

It has proved to be a system without the advantages of either the capitalist or the socialist worlds. Government has im-peded the market forces of the former without providers

former without providing the planning of the latter. It is hardly surprising that the Com-munist Party does not wish to enlarge the public sector if it. comes to power, concentrating, ing it in the more in accordance with it PHI. concepts of efficiency and socia. Faced justice. ientersia in The three year plan issued b the Government this winter. ils far an it goes through, foresees grant to the state corporations. L7,000bn (f4.1bn) in 1979-81. IN MERS and party ticulat in s is to be hoped that these fund do not go down a bottomle tie saler bei in t pit. The new leadership at II and ENI faces the challenge that the ensuring that the tarpayer public the tarpayer SET OF in an inter si vori Si grati

The public sector compa were the tools, used by Government in its policy of dustrialising the Mezzogian with eye-catching white e phants, tha so-call "cathedrals in the desert"

cathedrals without -congrega canedrals while congress tions of local entrepreneurs of markets, or efficient credi-structures. Many of these ven tures stood little chance of profitability, even with the generous incentives which were offered for Mezzogiorno invest ppicits . a the c. and het क स्वांग्डा ment and which, it is now fre-quently alleged, mainly bene-fited operators from the North. The merit, if such it can be called, of Government policies bas been to preserve jobs in the public sector in times of economic difficulty. Lavoffs, difficult enough for private companies, have been virtually impossible in the state sector. There has inevitably been i negative effect on efficiency, rationalisation and profits. It has proved to be a system ment and which, it is now fre leasting and background ment, the 22

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main engits Merecent ine rest of National Un also facing a from autor intenting

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Efim is a state-owned enterprise; its task is to administer the direct participations in companies which operate in the various manufacturing fields. The control and organization of all the activities of production is carried out by EFIM through five holdings which have more than one hundred and twenty working companies, under their control. Four of the holdings include firms working within a specific field, whilst the fifth, insud, has a territorial specialization and covers many sectors.

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controls the firms which operate above all in the mechanical field, especially in the production of implements and means and systems of defense.

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basic fields such as: primary and transformed aluminium, plate glass, paper, tobacco.

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. . . is made up of an integrated group of firms working in foodstuffs market which includes the supplying of raw materials (above all fishing), their industrial uses, the distribution of the transformed products, as well as research and experimental work in the field of agriculture and fishing.

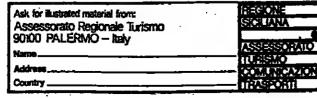
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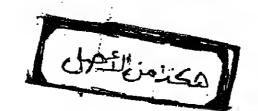
a holding in which EFIM, Cassa per il Mezzogiomo and a few Credit Institutes participate, carries out its activity exclusively in the Southern regions in the fields of manufacture, tourism and forestry. It also operates in association with national and foreign firms.





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# Energy Vulnerable position

ITALY, AS the Iranian revolu- being no more than a picce tion has underlined, is one of of wisbful thinking, largely the most vulnerable and least because of public opposition to nations in face the threat of In the circumstances, the nations in face the threat of In the intriar power programme, an energy crisis. Nearly 70 pcr anthorities reacted quickly cent nf its energy requirements enough. In the Government, are met by oil, against 14 per responsibility for energy lies cent by natural gas. 9 per cent with the Ministry of Energy, a by hydro-geothermal and post beld between November

by hydro-geothermal and nuclear sources combined, and 7 per cent by solid fuels. Nearly all the oil bas to be imported, domestic production being a mere 1.5m tonnes out of a projected 1979 requirement of 103.6m lonnes. Fortunately domestic output of natural gas is substantial, bringing overall dependence on foreign hydrois substantial, bringing overall dependence on foreign hydro-carbons down to abont S2 per cent. Fur oil, the Middle East is the chief supplier, providing 60 per cent of imports—25 per cent alone from Saudi Arabia, whose political stability is thus if greater interest to Italy than that of Iran.

# Uncertainties

In addition to uncertainties over oil supplies and prices, the availability of electricity has fur some time been arousing anxiety. Delays in the building of both nuclear and conven-tional power stations have raised the likelihood, unknown to most Itallans, of electricity

On taking stock this spring, it appeared that any oll short blackouts and rationing. The Iranian cut-off came at an awkward moment. Sig. Giulio age would be less serious than at first feared. ENI was able to Andreotti's Government had resigned. The heads of the State Hydro-Carbons corporation resigned. The heads of the one countries, and the automation Hydro-Carbons corporation countries, and the automatic ENI and of the National Elec-hoped, by pinching and scrap-tent and the bad tust been ing, to save up to 5 per cent increase supplies from other changed, and the new chairmen on consumption as recom had not had time to draw up mended by the International their policies for the future. Energy Agency. It was impos The country has, admittedly, a sible, however, to know what national energy plan approved the ultimate extra cost would in December 1977, but it risks be of the rising petroleum CONTINUED ON NEXT PAGE

and March by Sig. Romano Prodi, a 39-year-old professor from Bolngna University and former graduate of the London School of Economics. Even before the Iranian events Sig. Prodi bad appointed a commis sion of five leading public servants and academics dubbed the Five Wisc Mento investigate the economic out look with special reference to energy supplies. Sig. Giorgio Mazzanti, the new chairman of ENI, paid quick visits to Iraq and Iran to discuss ENI's future supplies and economic colla-boration. Unlike Britain and the U.S., the Government was foresighted enough not to volce support publicly for the Shah. This, coupled with the memories left by ENI's founder,

the late Enrico Mattei, of his support for the Mossadeq régime's fight with the inter-

national oil companies, enabled Itallans to avoid being the object of anti-Western feeling.

rs after other bad given them up.

Like other western groups, IRI companies face the prospect ties confirmed, as many had of losses in Iran, where they forecast all along, that the com-were engaged on large con- plex had no chance of being tracts, such as the Bandar viable, and it was first scaled Abbas steel and port complex. down and then abandoned, The nuclear engineering side although work had gone ahead has not secured expected orders on building a port. because of Government failure On the level of personalities, to implement the nuclear power an example of polltical interprogramme. Alitalia may be forced into the red acain this IRI in 1968 of Siz. Camillo year because of an unexpected Crociani, a one time dealer in outbreak of strikes. STET. surplus military equipment which is a telecommunications Head first of Finmarc and then

and electronics group should be of the Finmeccanica engineerone of IRI's more promisinging group, he fled abroad to

shipping lines. which bad erupted Reggio Calabria riots of 1970. In the event, the post-1973 difficul-

ference was the imposition on

John En

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in side



# ITALY VII

The new Robogate automatic welding system in operation at the Fiat Rivalta works near Turin.

Industry

# Outlook improved

THE ITALIAN business climate THE ITALIAN business climate about company planting the has improved over the past 12 decision taking and it is this in months but the outlook is still particular that sticks in the uncertain. An export-led throats of many entrepreneurs. uncertain. An export-led recovery has dispelled much of the gloom from boardrooms and the stock exchange. A growth working hours would simply add rate of 5 per cent is being fore- to production costs without cast for the economy this year. necessarily leading to higher the issue of But, industrialists are still far from happy-

First, there is the threat of a resurgence of inflation, and the offensive to Italy's medium and risk that this will oblige the Bank of Italy to resort to stop-go policies in the absence of an effective government until elec. ally enjoyed considerable freeeffective government until elec. any enjoyed consider num their tions have taken place. The dom in the way they run their central bank could be forced to affairs. It is effectively these out the clamps on credit, companies whose versatility and put the clamps on credit, through high interest rates and a credit squeeze, to protect the fira against an upsurge in con-

Secondly, industry is locked in important; negotiations with the unions which promise to be lengthy and difficult. Against a background of high imemploy-ment, the negotiations are made all the more complex by the fact that the union leadership is inself fighting to retain the upper hand in the face of a discontented rank and file. Not only has high meniployment led to a soul-searching reappraisal of past policies. which have hitherto placed the main emphasis on pay increases. independently of their effect on. the rest of the ecohomy. The National: Union: Federation is

also facing a growing challenge from antonomous groupings good. -

Employers have stated categorically that in their opinion shorter working hours would simply add necessarily leading to higher employment. The issue of increased union interference in uncertainty. company affairs is particularly small companies, forming the flexible backbone of the Italian economy which have tradition-

imagination have contributed to Italy's bnoyant trade performance.

# Reorganised

While high interest rates continue to weigh on industry's finances and discourage investment, à number nf companies have successfully reorganised sheets by their balance switching heavy short-term debts into medium-term loans. A notable example of financial reorganisation of this sort is to be seen at Olivetti, the computer and office equipment group,

than 1m

needed

the result of the change-over Archian invisions recently too from manual operations to a 10 per cent stake in Montelectronic technology in its edison, in the context of a long factories, which has made many awaited capital increase. But workers superfluous. Under- how soon they will get a return standably, the unions are loth on their investment is not yet to see jobs being lost in the clear.

Even more serious is the situpresent climate of economic ation elsewhere in the chemicals and At the Fiat group, plans to industry, spend around \$650m on Liquichimica. Weighed down as productive investments in they are by heavy debts, the southern Italy between now and future of these two groups is 1981 will create an estimated clouded with uncertainty. 5,835 new jobs. One of the Bastogi, Italy's oldest holding main projects is a new plant at company, has taken a leading Valle di Sangro in Abruzzi to role in trying to get build light commercial vehicles, Llquichimica's industrial activiin which Fiat plans to link up ties back into operation. Bastogi with Peugeot of France, This plant would involve an ment of L60bn it is owed for investment of around \$250m and construction by its subsidiary would employ 3,000. Even here, CTIP of a petrochemicals plant

union reaction bas been for Liquichimica in Calabria. restrained. There are more But so far only one of Liqui-than 1m unemployed in chimica's plants is back in opersonthern Italy, and the Fiat ation, after a prolonged closure projects are just a drop in the caused by the gronp's financial ocean compared to what is straits. Banks are still trying to find a solution to the problems The dull economic situation caused by the inability of both last year affected the results of Liquichimica and Sir to pay the Fiat group's main sectors of back their debts, and no easy

activity. Only an intensive solution is at hand. effort to introduce new As the debate over the role products, strengthen the sales of banks in the salvage of network and improve efficiency crisis-striken private industry continues, public attention has allowed Fiat to maintain overall profit at around the 1977 level. now latched on to another longand office equipment group, pront at around the 1977 level. now latched on to another long-under the management of its Car sales are expected to standing feature of Italian life. vice chairman of a year's consolidate the recovery in This is the "submerged standing. Sig. Carlo de 1979. But with a 15 per cent economy" of tax-dodgers, lilegal increase in hourly wage costs employers and undeclared tast year the "oup carried weighing on the company's 1978 workers, which has traditionally ont its first capital locrease for balance sheet. Fiat is in no 17 years with a rights issue of hurry to see labour costs taolog (\$47m). The issue met further increased by shorter Analysts have estimated that which make bo bones about 140bn (\$47m). The issue met further increased by shorter Analysts have estimated that the entry is see increased by shorter Analysts have estimated that interests heedless of the national several major shareholders were Financial difficulties are still economy into the light of day could add appreciably to the officially calculated Gross National Product. The phenomenon is now being studied by the National Statis-tics Institute and a number of private econometric institutions. Their findings may turn out to be a double-edged weapon for industry and unions. But for the state, greater transparency of the economy can only be positive. At the very least, it sbould belp the Government increase much needed tax revenues.

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# Banca Cattolica del Veneto

Faced with demands, the National Union Teadership has had to moderate its pay claims and call instead for policies to raise employment and productive investment, par-ticularly in southern Italy. But the number of jobs in industry has in fact tended to decline in the past few years, at a rate of around 1 per cent a year, and a further overall reduction is forecast for 1979. The unions are pushing for cuts in working hours as one

way of creating more jobs. They it has around 3,500 employees opposition to the redudancies also want more information more than it needs in Italy. This they would have entailed. Saudi

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the national with such strong uchtain that "Financial difficulties are still several major sbarcholders were Financial difficulties are still unable to take up their portion dogging another of Italy's big-conflicting of new shares. As a result, gest private industrial groups, ional Union Olivetti is now going ahead with the Montedison made another

cuts in working hours as one The group has made clear that been shelved because of union

By a Correspondent

# Vulnerable CONTINUED FROM PREVIOUS PAGE

20 to 25 years at least. About half the 27.25bn cubic metres half the 27.25bb cubic metres. consumed in 1978 came from gas-fields at home. From a first dis-covery in 1944 in the Po Valley, production has switched increas-ingly in recent years to deposits offshore, particularly in the northern Adriatic. Several new offshore fields are due to come offshore fields are due to come on stream this year in the apper and central Adriatic.

Domestic production is expected to hold steady each is year at around 12bn cubic metres, ont of recoverable reserves currently estimated at about 200bn cubic metres. Consumption-27.2bn cubic metres last year—is projected to rise to 40bn in 1985, the difference being made up by imports from Holland, Libya, the Soviet

Last year the Eni group, which is responsible for the bulk of home and foreign supplies, imported 6.1bn cubic metres from Holland, 5.6bn from the Soviet Union and 2.5bn from Libyz. All under 20 year contracts. From the two former countries the gas comes by pipeline, and from Libya in liquefied form by tanker.

Soviet Union should increase to contract to the Libyan National politically more stable areas, too acon. -7on cubic metres. But the big Oil Company, is reported to Enel's annual coal imports are change in the import pattern have discovered a field of at likely to reach 10m tonnes from

prices. Sig. Prodi's immediate. will be the receipt of 12bn estimate was that they would chieve metres a year from add L1,000bn to L1,500bn to the Algeria through the world's deficit side of the balance of deepest undersea methane pipe-payments—a sum which if the fine, Transmed. A specially increases went no further, could designed pipelayer, Castoro Sei, owned by Saipem of the Emi reserves. For natural gas the outlook is more reassuring and supplies should be available for the next 20 to 25 years at least. About countries is exploring. west Sicily. The first gas should start to flow before the end of 1981 under a 25-year agreement.

lasting up to the year 2006 In recent months interest has also quickened in the search for nfishore oil, though nn one foresaw eight new nuclear believes the central. Mediter plants of about 1,000-MW each ranean can become another for the mid-eighties, in addition

North Sea. Off south-west Sicily Agip of

(the strench group) is reported will probably block for some to be sitting on reserves of over time yet the eight new projects 100m tonnes at Rospo, but the (two in Piedmont. two in oil is so dense and viscous as Lombardy, two in Puglia and two to be located). As Sig-Prodi commented areas

# Discovery

There also appears to be promise in neighbouring coun- with a plant to convert power effort will undoubtedly be made tries' offshore waters to the stations from oil to coal, which to extend its application. But too By 1985, imports from the immediate south. Agip, under Soviet Union should increase to contract to the Libyan National

only 600,000 four years ago. least 500,000 barrels off Tripoli. Even so, the country faces If Malta succeeds in resolving its median line dispute with Libya, oil experts believe the Medina bank between the two well worth

For many consumers, however, the immediate pre-occupation derives from the Government's inability to apply its programme for new electric power stations. Public attention has focused on the nuclear

issue, but many conventionally fired projects are also well behind schedule. The national energy plan

for the mid-eighties, in addition to the four existing plants (three by now antiquated units Off south-west Sicily Agip of the ENI group is bringing the small oilfield Nilde into produc-tion. South of the island Montedison has made what looks like a commercial discovery in the deeper water of the southern Adriatic Agip reported en-couraging shows from its well Rovesti, drilled to a depth of Rovesti, drilled to a depth of struction of the other two in 3,347 metres on a seabed of 955 the Molise region of central metres. In the mid-Adriatic Elf Italy. Similarly, local feeling (the French group) is reported will probably block for some

> Rome is for nuclear energy bat everyone in the provinces is against Enel has reacted to the crisis

at least can be bought from much should not be expected

the prospect of power blackouts and rationing. The new presi-dent of Enel, Sir. Francesco Corbellini, said the situation was much more serious than appeared from outside, and fore-cast that " the electricity energy deficit will explode in a few years, and necessitate rationing of electricity."

Much is written about alternative sources of energy, but a recent Confindustria study warns that, in the short to medium term at least, these can

only make a marginal contribu-tion to overall requirements of 1 to 3 per cent. Some geothermal energy is already produced at Larderello in Tuscany, and Agip in conjunction with Enel is engaged on a widespread explora-tion programme over 3,500 square km of permits. A promising area appears to lie near Puzzuoli, north-west of Naples, where geothermic fluids with a temperature of 250C are reported to have been discovered during drilling at 1,600 metres depth.

Solar energy, particularly for heating, is starting to be used under processes developed by several big groups and also by the co-operative movement. Sig. Umberio Dragone, deputy presi-dent of the Left-wing League of Co-operatives, says his move-ment is building 1,500 apart-ments with solar heating. The

sun is one energy source in abundance in Italy, and a major

John Earle



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# ITALY VIII



A demonstration by the unemployed in Naples: in spite of heavy incentment the unemployment rate in the South remains well above that of the North.

The Mezzogiorno

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# The problems multiply

DESPITE THREE decades of stability just when the country are still only just over 60 per Government development pro- has accepted the challenge of cent of the national average. In Government development pro- has accepted under European Calabria, Italy's poorest region, jects the Mezzogiorno is still a step towards European Calabria, Italy's poorest region. Italy's Achilles heel. The social European and economic problems of this area—which is the size of

unemployed, are a crucial have bedevilled past Govern-element in Italy's complex ment attempts to raise living political chessboard. They are standards in an area which is in the forefront of potentially one of Europe's poorest. disruptive labour negotiations Despite the billions of dollars currently involving Italy's most which since the war have been powerful unions in key sectors poured into the Mezzogiorno-of industry. They threaten also defined for administrative nurof industry. They threaten also defined for administrative pur-to impede Italy's progress poses as including Sicily and towards greater economic Sardinia—average incomes there

Milan

Monetary System

Greece and with a population of Wastage, corruption, ineffi-20m and more than 1m ciency and organised crime unemployed, are a crucial have bedevilled past Govern-

parison is made with one of the richest areas of the Common Market, North Germany, the disparity is even more grievous, activity around it,

In the past the area's inthe slow-down in other industrial economies has reversed this trend and in recent years the number of emigrants returning bome has actually exceeded the number of Italians leaving to seek their fortune

abroad Meanwhlle the Mezzogiorno's ceolurics-old isolation has heen broken down by construction of modern highways, airports, modern highways, airports, telecommunications and in-frastructure. uBt the indus-trial revolution which the planners hoped would follow has yet to take place. The Mer-ricerno still lives on subsidies arket and on the money sent. cent in southern kaly compared me by the millions of with 15 per ceof in the north from the State and the Common

A few names have become emblematic of the plight of the Mezzogiorno. At Gioia Tauro,

an impoverished town in southern Calabria, fertile olive

and citrus groves were laid

waste in order to build a giant

home by

emigrants.

Plight

there have been in southern Italy, hut progress continues to be slow. Attaranto, in Puglia, national average. If a com- an utra-modern steelworks also parison is made with one of the owned by Italsider bas succeeded in boilding up a entreprenenrial tissue

But the services sector prohabitants have sought to vides the main growth for escape from economic depres- employment in the Mezzogiorno; slon by emigrating to Northern In 1978 employment levels in Europe and America, and to the southern Italy rose by 80,000, Europe and America, and Nilan according to calculations by factories of Turin and Milan according to calculations by in Italy's industrial north. But Svimez, a State agency for the slow-down in other indus development of the Mezzogiorno. There were 105,000 new jobs in the services sector, offsetting the reduction of 45,000 jobs in agriculture, and only 20,000 new jobs to industry. This was a better score than in northern Italy, where total employment levels rose by only 10.000 and industrial employment actually dropped by 54,000.

But the unemployment rate in southern Italy remained well, above that of the richer north, at 10 per cent compared with 6 per cent in northern Italy. Even more dramatic are the figures for unemployment in the under 30s age group-25 per

Some industrial successes Mezzogiorno, for the purpose State subsidies, beginsreport satisfaction with the way their operations have developed. But they are privileged in being among the best served in southern Italy from the fact of being colse to the metropolis. A general disinclination to invest, which has hit southern Italy despite all official efforts to the contrary, was cited by no less a person than the West German Chancellor Helmut Schmidt, in a recent interview with the Milan newspaper Corriere della

Sera. But despite all this gloom, the Mezzogiorno's future is not totally hopeless. As Flat chair-man Giavanni Agnelit pointed mit in a recent conference. address, the Mezzogiorno offers a ready workforce and a poten-tially lucrative consumer market in an area of political and economic stability within the Common Market

to what happens next. By a Correspondent

gically placed in the centre d

the Mediterranean area, within

easy reach of the mirich

nations of the Middle. East

Sbipping facilities and airports

are being developed, like file airport at Lamezia which could

eventually develop into a key

staging post for interconti-nental air traffic. A natural gas

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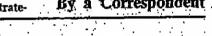
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The Mezzogiorno is strate-

pipellne earrying Algerian across the Mediterranean Italy will in a couple of years time bring an important source of energy and raw materials within easy reach of potential industrial consumers. The Government has set up specialised agencies, like Insud or Fime, in promote economic expansion through equity participation or leasing agreements. And the area's natural beauty and archaelogical and historical sites offer tremendous potential for tourist development. It is a question of national willpower

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Total deposits	3.253	4.150	+ 28%
Capital and reserves	161	205	+ 27%
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uraing where a part was to be huilt. Work is going on in a desultary fashian, but the steel market erisis makes it unlikely that the steel plant will ever be built, at least in its priginal form. Alfasuil, the ultra-modern car

plant built he the State-owned Alfa Romeo group at Pomigliano d'Arco outside Naples, is nue of the industrial initiatives that have got off the ground. Rut since the plant opened in 1972 it since the plant menea in start in has run up losses of around \$700m. With over 15,000 em-ployees coming from a wide catchment area in which there are few niher industrial job opportunities, it would be unto allow the loss-making plant to close. But high absenterism and labour unrest, in an area where industrial employment has existed for too short a time for such a plant to be able to function smoothly, and the despair of management and

despair of halfagement and impose a big question-mark over the plant's future. In nearby Naples, whose urban poverty is one of Italy's biggest single social and pol-tical problems, another State nwned group, italstder, nperates an obsolete steel-works which is an obsolete spectrum a year. The mant, sited on the shore of what was note one of Naples' most rhorning seaside bays, employs 7,800 and the company has drawn up a \$670m plan for its modernisation. But local planning policies and the slow availability of funds have delayed

Its implementation. Naples, which with the surrounding regim of Cannania has an estimated 350,000 unemplayed, has become a focal point for sometimes violent demonstrations by the undemonstrations by the inte-emplayed, organised into-vociferous pressure groups. Tensinn in Naples was heightened this whiter when bronchial alments which might elsewhere have passed unnotired caused the death of scores of infants in the cily's damp and unhygienic slums.

and a national average of 18 per .cent.

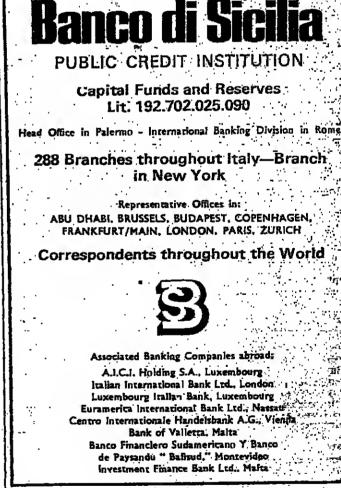
The unions have called for cuts in working hours to help create new job openings in southern Italy, and a number of major industrial companies including the giant Fiat motor group have set up plants in southern Italy in response to union pressure. But the continuing inadequacy of basle infrastructure still discourages many would-be investors, despite the Government incen-

steel plant which was th have given jobs 10 7,500. Eight years after the Government made lts and the promise for the project, all that is to be seen in the site is a gigantic hole in the tives held out to them. In 1976 industrial investment in the area fell by 12 per cent and in 1977 drapped a further ground where a port was to be 8.8 per cent. Industrialists have not been slow to point out to union leaders-in an effort to resist demands which employers ennsider would only lead to

higher production costs—that their proposals for shorter working hours would effectively discourage prospective investors even mare.

In the face of domestic business licsitancy the Government has done its best to lure foreign investment to the aid of the Mezzogiorno, but so far with nnly limited success. In the past arnund \$3bn have been invested by more than 200 foreign companies in the Mezzo-giorno, hut this trend has been

n decline since 1974. Foreign industrialists in the area south of Rome-where the





# The islands Misguided policy

ITALY IX

M Sandinia, there is a large and the communications were chosen grithing mural with an inscription in lead the country's industrial tion in local dialect saying: aon in incal dialect saying transformation, would generate "Years of autonomy years of directly and indirectly a con-promises, years of lies." It siderable number of other jobs, reflects the mood of the island. But the wide network of which like Sidly is constitution, satellife industries which was ally part of daily but is also to grow around the large strongly separatist in sentiment, chemical and steel complexes and above all a sense of never developed on the scala grapheration over what has the authorities boped. Instead, which district accident to befall continued, mainly towards the interimed for the fourty.

the two islands The two islands enforts con-siderable degree, of local autonomy, but they are also perhaps poorer than any other itelian region, although they account for as much as 12 per-cent of the total Italian popula-tion. During the last three decades, considerable and often well-meaning efforts have been well-meaning efforts have been made to develop the islands, tackle their dire social problems, their archaic structure and the continuing blight of judicial experts, is one of the bandits and kidnapping in main reasons for the growing Sardinia and of tha Mafia in crime rate, now closely con-Sicily (where it has effectively built up a presence in practic-ally every aspect of the island's economic life)-

The historical accident, of course, has been the broad policy of successive Italian governments to base the economic and social develop-ment of the islands essentially on heavy industry. Through a combination of generous sub-sidies and considerable political dii ction, these governments pushed the country's major state semi-state and private enterprises especially the main chemical groups like Monte-dison, Anic, SIR-Rumianca and Liquichimica-to invest heavily in capital-intentive projects in two small economies which were effectively seeking labour inten-sive projects to absorb memployment levels well above Sardinia. the national average

In the period 1968.74, the Government planning board approved investment in the chemical sector for the depressed south of the country, including. Sicily and Sardinia for a value of nearly 14,500bn and for the creation of some 33,000 jobs: Although in terms especially on employment. The of capital, the employment

1

te lead the country's industrial troubled groups, Societa Italiana transformation, would generate directly and indirectly a con-siderable number of other jobs. Resine (SIR), now on the verge of collapse. At the same time, the conse-quences of disorganised development policy are now begin-

ning to bite. These policies led in some instances to duplicated investment with no overall economic benefit. At Ottana, in emigration from the islands has continued, mainly towards the industrial north of the country, Central Sardinia, for example, both SIR and a joint venture by two other major chemical causing growing social difficul-ties in major cities such as conglomerates. Montedison and Anic, set up similar synthetic fibrea plants, representing investment of more than L200bn Milan and Turin. each in an area lacking proper

As the recession followed the energy crisis and the so-called "economic miracle" of the 1966s, so the northern industrial infrastructure, but earmarked for industrialIsation hy the political anthorities of the time, cities and their industries could apparently to eliminate the region's high rate of banditry. no longer absorb the continuing inflow of people from the south Another joint venture between Anic and British Petroleum never got off the and the islands. The social strain that bas been generated, according to many Italian ground, although a plant was constructed for the production of bioproteins for animal feed. crime rate, now closely con-nected with political violence, that has particularly afflicted The reason, in this case, was the continuing delay of the Italian health authorities in granting northern cities during the last few years.

tha necessary approval for bioproteins production. Sicily too has suffered from The failure so far of the industrial development of the the chemical crisis. On the islands is in part the result of eastern part of the island is one the policies of the regional of the main oil refinery and authorities. Infra structure petrochemical concentrations in Western Europe. The plant at remains underdeveloped and this has acted as an obstacle to Augusta, completed in the early the development of smaller 1970s to produce up to 40 per cent of world demand for normal paraffin, bas been industries, while it has also increased the effective costs of setting up larger projects. Larga Inactive for more than a year because of the financial diffigroups have had to provide most of their essential ancillary culties of its parent company Liquigas. Another joint venture services and infrastructure. At the same time, most of the between Montedison and ICI in islands' industrial development Sicily for the construction of an has been imported, even in tha aniline plaot bas also been case of the tertiary sector, sueb scrapped. as the Aga Khan's tourist com-plex in the Costa Smeralda in

Over the last year there bave been attempts to set up salvage operations for the troubled The current acute problems of chemical groups to safeguard, the chemical industry, the fruit among other things, existing of a number of factors includemployment in the South and in ing the energy crisis, over the islands. These ventures ambitious and largely unco- involve the creation of banking ordinated investment pro- consortia of credit institutes consortia of credit institutes grammes, and fierce in-fighting exposed in a troubled company to take control of the group and between rival companies and political factions, now threaten launch a five-year recovery land. to have serious repercussions, plan.

The regions

Slow road to autonomy

The banks would agree a

THE THE petrochemical figure is low, the authorities problem is particularly pro-moratorium on all outsanding complex of Forto Torres, on the boned the chemical industry, nounced in Sardinia because of debts, pay off immediate credi-forth-western tip of the Island which together with steel and the heavy investment on the tors and guarantee the industhe heavy investment on the tors and guarantee the indus-island of one of the more trial activities of troubled companies, while also reorganising their structure and investment

programme. However, in the case of SIR, this would probab-ably entail the shelving of some LI,000bn of investment already started in Sardinia.

هكذا من لتاجه

But so far disagreements between banks and various economic and political factions have blocked the setting up of these rescue consortia. Also legislation that would entitle the industry minister to appoint a commissioner to take control of a troubled group in the event that no other salvage plans are proposed has also caused controversy. And despite the emphasis now being placed on the recovery of the Sonth as a priority of Government economic policy, there have been only tentative signs of a solution to the country's chemicals crisis.

Against this background, Italian economic planners and the trades unions are promoting the development of tourism and agriculture in the islands together with light manufacturing industry. There is an urgent

need to develop the agricultural hase, principally through the wider development of co-operative farms in view of the exist ing fragmentation of land boldings. Some progress is being made, for example in the important Sicilian wine sector, but generally the problem is exacerbated by lack of funds and by the archaic structure of agriculture in the islands.

Besides agriculture, another potential source of income and jobs for Sicily and Sardinia is the development of tourism. The islands offer considerable natural and cultural attractions. Here again, bowever, the problem lies with the development of adequate transport and other services. In the past major developments in tourism and, other economic sectors bave been imported from the mainland. The challenge now is bow far Sicily and Sardinia can develop their own resources and how far they will be allowed to do so by the main-

# P.B.



Private consumption in the same year: 36 billion dollars. These are the vital statistics of the Mezzogiorno, as Southern Italy is called.

The region is an economic and productive reality that no business interested in locating in Europe can afford to overlook. In fact, as an evidence of the interest shown by the international business community, the Mezzogiorno counts 277 manufacturing plants set up with the participation of foreign investors. Expanding markets, availability and trainability of labour, incentives, infrastructures; these are the main inducements to choosing the Mezzogiorno, as well, of course, as its ideal geographical position between the Mediterranean and the European countries.

The Mezzogiorno offers prospective investors cash grants up to 40% of fixed investment, soft loans, corporate tax waivers and a reduction in the cost of labour.

Further information is available on request from IASM, Institute for the Assistance in the Development of Southern Italy, a non-profit organization set up to promote industry and tourism in the Mezzogiorno and to provide consulting aid to companies already operating there or planning to do so.



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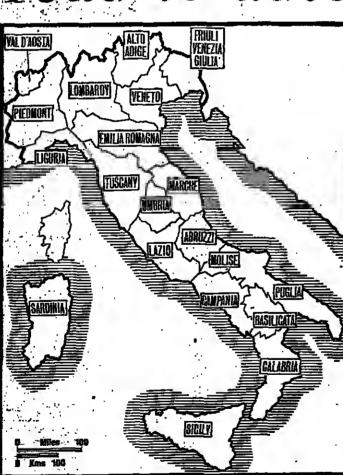
LESS THAN two years ago, the Italian regions were finally granted by law a measure of autonomy that bad rightfully been theirs in theory for years. By now, though, local humorists are comparing the stubborn optimism of one his doomed last stand against the Indians: "He's the only one who hasn't given up all hope." The transfer of powars to the regional administrations, alec-ted for the first time in 1970, is by now under way despite numerous halts and starts. The brocess has been slower than originally foreseen, and uneven; some functions have been turned over with relative case, while others-notably the state employment ocffle, long a strong secular arm of politica patron-age-continue to he tha hasis of a bitter tug-of-war between regional bodies and national political interests. Yet on the whole, the process of devolu-tion is moving slowly along. But the devolution itself has given rise to a whole new group of problems on the administrative, financial and legislative levels. Some have. simply accompanied the transfer: aome bave actually been created by it.

One administrative problem is simply numbers. Despite the fear of sceptics that the regional administrations would end-up being yet another pondecentralisation; dersus bureaucratic machine to add to Italy's already bloated national laws civil service, the actual number of persons employed by the regions is only 60,000, a frac-tion of the 2m employed by the state or of the 400,000 working for Italy'a 8,000 cities and towns. (By contrast, West Germany's Ländar, or semi- In other cases, the atate ignores autonomous states, employ to- the existence of the regional gether roughly the same num- governments when it means a ber of people as the Federal loss of prerogatives. In a Government.) recent case of this sort, some

schizophrenic."

Structural problems of admin- \$3bn were assigned to the istration are aggravated by national road authority even political ones. "The regions though most roads are now have not yet been regionalised under the jurisdiction of enough," said Professor Sabino regional or municipal authori-Cassese of the School of Public ties. Administration recently. Members of the regional govern- lems are closely linked to finan-ments are not elected directly cial ones. A complicated sedies but within each province, and of laws intended to provide a the system produces some of system of checks and balacces the political distortions typical has given the regions a broad of an electoral college system. range of powers to plan but has Tensions are also frequent left control of the purse strings

Legislation affecting regional devolution is also not free from reasons, we have further cen-anomalies. Professor Franco tralised," writes Professor Cas-Bassanini, a socialist member sese in an introduction to the the local level. of parliament who has been "Gnide to Local Autonomy deeply involved in regional 1979," which describes, seclor by money over to regions, it often



sector, the current situation of regionalisation in Italy. The resulting contraditions are frecalls the on regions

According to Professor Bas-sanini the state tends to unquent load on to the regional administrations the major problems, such as drug abuse, that state bodies bave trouble dealing with effectively on their own. between the citizens they rep-resent and the state above them. usually by way of the political parties. "It is paradise for the parties. "It is paradise for the regions," says Professor Cassese, since they don't bave to account for costs to their voters, but simply present the bill to the state. A fiscal reform law of several years ago by which the

state takes over any debts accumulated by local bodies has had the practical result that Some of the legislative probthose that run most into debt are the most rewarded, and two local areas with similar populations and similar economic and cultural structures may receive vastly different sums. The sys- round of regional elections, Tensions are also frequent left control of the purse strings vasily different sums. The sys-among regional employees, in the hands of the central Gov- tem has not only created a uany of whom have been ernment. Regions now have regional governing class that is inherited from defunct state or almost no independent source spared the inconvenience of local bodies and feel little of financing. "On one hand, in answering to its constituency for sense of identification with the bew structure. Local particle and feel little of financing of the other political links of regional have decentralised; on the other political links of regional answering to its constituency for past, there is some bope that a officials with their political parhand, for economic and treasury ties, bas vastly inflated problems that weref ormerly solved at

When the state does turn

the minimum of autonomy to the local bodies. A common method is tying the funds to particular purposes, which effectively limits the use the regions can make of them. The fact that Italy is one of the few countries in the world in which laws can be passed in parliamentary committee means that such legislation is further susceptible to political pressures and the lobbying of private interest groups.

loes so in a way that assures

Yet the blame clearly cannot Yet the blame clearly cannot all be placed on the central administration. The regions themselves have been slow to spend the funds appropriated to them—for lack of concrete programmes or because of simple bureaucratic inefficiency -and only recent reached an annual spending capacity of 40 per cent. The region of Campania, of which Naples is the capital, currently has LS00bn of unspent resources; the semi-autonomous region of Sardinia has 900bn. Under such circumstances, the state, with some justification, bas tended to hold hack on further appropriations.

## Delays

Many solutions have been advanced to the problem of delays in regional finances. One idea is to award projects to a general contractor who would take over the project from start to finish, including subcontracting. This would greatly simplify quent The definition hy Sidney Tar-row of Italian mayors as "entre-preneurial policy brokers" could also he applied to regional officials. Their job is less to make decisions than to mediate between the citizens they rep-treated to bring a project from the drawing hoard to complete from the definition hy Sidney Tar-faced by regional administra-tions who now have to deal separately with each small com-pany that is awarded part of a contract. The average time now needed to bring a project from the drawing board to completion is four years.

Less probable is a measure by which the parliamentary com-mittees would lose any of their enormous powers to pass legislation without a parliamentary vote, since such powers are provided for in the Italian constitution.

Most important may be the simple factor of time. It is only nine years since Italy's regional governments were elected for the first time, and only two years since their powers have really become operative. The second scheduled for next year, may produce a difference. With the worst of the growing pains now more experienced set of regional administrators can begin to put into operation a devolution that was written into the Italian constitution more than 30 years ago.

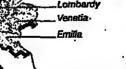
Christine Lord

# six banks, an important partner in those italian regions, that count for much.

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# GRUPPONORDES



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**GRUPPO NORDEST:** six Banks and a common work, at the big enterprises', as well as the small industries' service,

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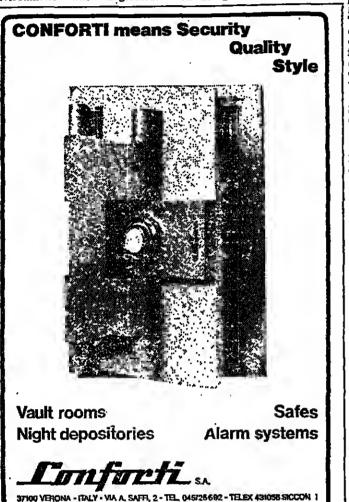
# ITALY X

# The environment

# A bitter legacy

26

BELATEDLY. BUT unmistak Economic progress was set cerned was not Italian. Seveso more difficult to apply wbst by Italy bas begun to get above all else, and at the same by the problema of pro-tering its environment. both man-made and natural. The wealth would somebow just is the would of the industrial front, the adding place often without any britcal coordination. I It is understandable that the was unquestion is necessary has occurred later to aby the Seveso disaster of the sountries. For the two post-war to man priority in Italy, and t was inevilable that in the process distortions should he rearded. In social terms, the contry is now reaping the bitter (leaser caused hr and the dealliest poisons in existence thilter (leaser caused hr a not weak mant barrowing and t was inevilable that in the breated. In social terms, the contry is now reaping the bitter (leaser caused hr a not weak mat barrowing and t was inevilable that in the breated. In social terms, the contry is now reaping the bitter (leaser caused hr a not weak mat barrowing and t was inevilable that in the breated. In social terms, the contry is now reaping the contry is now math and water, pre-ter and priority in Italy, and the was inevilable that in the protest morement has the main priority in Italy, and the was inevilable that in the contry is now reaping the to is now now reaping prested. In social terms, the for Givaudan, and one of the country is now reaping the deadliest poisons in existence, bitter legacy caused by an It was the most harrowing and absence of centralised welfare most serious industrial accident planning. Similarly, the in Europe in recent years, and Similarly, the in Europe in recent years, and was neglected. even though the company connvironment





Party, with barely 1 per cent of the votes and just four parlia-nientary seats. But the warning signs that these feelings were taking broad popular root was plain from the regional election results last November from Trentino-Alto Adige in the extreme north east of the country, where the grouping of fringe Left parties, strongly emphasising environmentalist concerns, msde inroads into the vote of all the major parties.

vote of all the major parties. Heartened by the outcome.

Sig. Murco Pannella, the quixotic radicc: leader is seek-ing to secure the 500,000 signa-tures necessary to force a referendum on italy's already truncated nuclear programme. This foresees the construction of just eight new stations by the mid-1980s. The Socialist Party (PSI), most directly threatened in electoral terms by the radical Left, bas also shifted its stance towards more open hostility to the country "going nuclear."

At a more everyday level, the pent-up demand for more adequate safety at work hit the headlines only last month after an explosion at a Montedison chemical plant al Mestre, the mainland offshoot of Venice. More than 30.000 people attended the funeral of the three orkers killed in the disaster.

very structure of Italian indus-try makes it difficult to impose controls that work. The com-panies point to the very high level of social security payments they are already obliged to make for their staff. and will not easily be coerced hilo spending more. Meanwhile the existence of a large "underground"

the italian Government. The trouble is that the money does not seem to get spent either very fast or very effectively. Venice is a textbook example of the extra complications which arise from the clumsy bureau-cratic superstructure with cratic superstructure with which Italy is saddled. Government, region and the city all have a share in the programmes to restore it to its former splendour. It is not surprising that wrangling and rivalry between various ageucies should

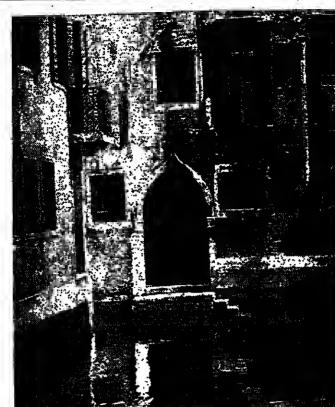
impede the process Even so it musl be said that things are beginning to happen more quickly. In keeping with the new mood. The casual visilor 10 the city cannot but be struck by the number of and the general s palaces being restored and lbe of its quarters. work going on in historic churches and huldings. But **Pollution** Pollution against this must be set the renewed delay on finalising a project to protect Venice from the high tides which sweep up the Adriatic, by controlling the three channels into the lagoon. Perfectly good schemes, presented in response to a tender, were all rejected as inadequate.

At the heart of the argument lles the future of the Port of and Antoninus are being Venice, the main source of the steadily and irreversibly cor-city's revenue (more important roded. Unless action is taken at once it is beyond all doubt, according to Professor Adriano la Regina, superintendent of even than tourism). It all adds np to a classic case history in the tug-of-war between economic progress and the requirements of conservation. It promises to be some while before the struggle is resolved satisfactorily, if it ever is. " that within a few decades all documentation of the city's past bistory and art will be lost." Belstedly, too, attention has begun to switch to Rome Itself, arguably the blggest single

ments in the centre of Rome, electrification of public transof a large "underground" tourist attraction in the world, economy operating largely oul- but which has fallen into a port and a complete ban on private cars from the centre. side the system makes it even sorry state. Its troubles are in Rome conservation needs

Terrorism

An everyday story



The preservation of Venice-" suspended between land and water "-presents a unique problem to the Italian authorities.

those that dog Italy, of chronic must be set against the incom debt and bloated buresucracy. from tourism, which could reach and which bave prevented an overall L6,000bn (£3.53bn) for Italy in 1979, according to adequate money being spent on some forecasts. maintaining the city, its public At the same time vandalism services and its treasures and

of art treasures is increasing. Admittedly priceless jewels from St. Marks Cothedral in services and its treasures and monuments. In the past few years the decline has become increasingly rapid and increas-ingly plain to the visitor. So much so that in 1978 Rome suffered a L50bn (£30m) decline in tourist revenues, undoubtedly in part as a result of the mounting inconvenience and the general soualor of many Venice were returned after being stolen: but at the impresbeing stolen, but at the impres-sive sprawling site of ancient Ostia, some 20 miles west of Rome, pilterers from the excavations do not even bother to wait for nightfall before going about their business. and the general squalor of many

Mention, too, must be made of the building speculation which over the last couple of At an everyday level, traffic pollution is quite literally eat-ing into the monuments them-selves. The three msin triumphal arches of the Caesars and the two exquisitely carved marhle columns erected in the second century AD to commemorate vlctories of the emperors Trajan and Antoninus are being a new word raparizate to the language, meaning to dis-figure by unchecked building. More than five years ago, the writer Sig. Glorgio Bassani, then president of Italia Nostra, the organization which has then president of kalla Nostra, the organisation which has often fought a lonely conser-vationist battle, called his c o u n t r y m e n "ccologically illiterste." He blamed the corporate baronies of poll-ticians, industry and the rest for Italy's environmental mess, for having "sold the country off piecemeal." That observation is still, als, largely true, but the the city's sncient monuments, His suggestions are drastic: the closure of all the main monustill, alas, largely true, but the signs are there that the victim may be fighting back. R.C





SEA

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to make a choice, to know, to compare and examine

The trouble is also that the

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Correspondents throughout the world

MARCH 21 last can be counted a fairly typical day. To jndge remain, from the beadlines the following morning in La Stampa, a facing any Italian Government. further evidence of close links newspaper not usually given to it is true that political violence with the German Red Army excess of sensationalism, there of all hnes bas followed its faction group. The next day, were that day a fatal bomb usual trend of increasing when though, Prima Linea, an organi-attack on an industrialist in the a Government crisis deepens, sation linked to the Red Piedmont town of Cuneo, an and that (so far at any rate) Brigades, shot drad Sig. Emilin Piedmont town of Cuneo, an armed assault on a university terrorism has not scaled the professor at Padua, near Venice, peak of last spring, when the while the armed bendir alor. Bad Brinder bidge, when the peak of last spring, when the Red Brigades kidnapped and 55 while two armed bandits, claimdays later murdered the former ing to be from a group called "Proletarian Battle Patrol" Prime Minister Sig. Aldo Moro. beld up a drug dispensary on the outskirts of Turin. are having greater success. Since last summer, when General Carlo Alberto Dalla In Italy's largest northern city, Milan. a gang purporting to represent the "Armed Organisation of the Proletariat" Chiesa was placed in overall charge of anti-terrorist operafor the second time in eight days carried out a bomb attack tions. the police have rounded up scores of wanted extremists. Meanwhile, La Stampa reported, and uncovered hide-outs in no further clues had come the Milan, Turin, Pisa. Rome and way of the police investigating other cities. the mysterious assassination in Rome just 24 hours earlier of

ANTANIA CONST

Sig. Mino Pecorelli, editor of a out. At the end of January, scandalous newsletter. for example, police in Milan

Law and order, and terrorism, captured six of the gang sus-remain, slong with the pected of involvement in the economy, the biggest beadache Moro affair, and discovered Alessandrinl. deputy Public Prosecutor of Milan, the eighth magistrate in die at terrorist hands in Italy since 197t. If Inevitably terrorism makes It is also true that the the main headlines, every day auborities, statistically at least, sccs a host of smaller crimes, the main headlines, every day mcticulously reported in the home news pages of the papers.

# often complete wilh gruesnme photos of a bullet-riddled corpse. Some are spectacular.

some horrifying, some bizarro and others callous. Some arc just plain incredible. But one disturbing trend can be seen to other cities. But every apparent step for-ward seems swiftly cancelled confusion and entanglement of political and common crime, making the mystery stories even more myslerious than before.

A recent case provides a perfect illustration. In Palerma a month ago, Sig. Michele Reina, provincial organiser of the Christian Democrats, was shot dead. Responsibility was claimed by anonymous tele-phone callers (following the time-honoured pattern) purporting to represent Prima Linea. Just 24 bours later, however. what had first looked to be the first political killing so far reported from Sleily was denied by other callers, again purporting to be from Prima Linea. Police are now inclined to think the Maha were behind the killing. The trail, meanwhile, has apparently gone cnld. In a host of other violent crimes common bandits are sheltering hchind dubious political labels in the hope of throwing the police off the scent. Since 1960 over 380 kidnaps for ransom bave been carried oul, netting a lotal of L150hn

of the State.

that today crime is merely the extreme manifestation of the centrifugal forces in Italy, where people long accustomed to receiving aid from the official institutions create their own. There now are private universilies alongside those of the State. There is even a "submerged economy" operating alongside the one that shows up in the official statistics. Crime, it could be said, is one more example of energetic people " doing their own thing."

In a sense it could be argued

## Kansom

The one constant in the equation is the succession of kidnaps for ransom. The causes of the proliferation of such crimes are well cbronicled, above all the migration (voluntary or forced) of Mafia and other criminals alnce 1960 to the wealthy north of the country, away from the south. The evidence is that the police are tackling this problem with perhaps more success than they have achieved in the battle against political terrorism.

At the start of 1979 a history making trial ended in Reggio Calabria. For the first time ever 28 members of the Calabrian Mafia were sentenced to jail, for terms totalling 207 years. The endemic violence of that blighted sonthern region conliques, but police may be making inroads into the kidnap industry (" Anonimo Sequestri " or " Kidnaps Inc." as it is commonly known).

On to this has been grafted the comparatively new branch of polltical terrorism and vin-lence, whose historical birth is generally regarded as dating from the Milan homb outrage of 1969. The death of 16 people in the Banca Nazionale In the Banca Nazionale dell'Agricoltura was the climax of the so-called "strategy of tension" which enntinued inin (185m) for their perpetrators, the 1970s in an attempt to But according to the Interior undermine the Communist Ministry, cases in 1978 dropped Party's steady approach towards to 42 (L9bn only in ransom) power. From the ontset it was power. From the ontset it was believed that the political far Right and the Italian Secret from 78 in 1977 (L20hn). At "negotiations" are slill going Service were linked with the on for the release of 15 victima. affair. This conviction has been reinforced by events as the trial Violent crime (even its more recent extension into political of those responsibile finally drew fields) is nothing new in Italy. In its end in Catanzaro, IO years Its roots are deep in the after the atrocity. In circumstances as indicrous as they were sinister, two of structure, or rather lack of it,

CONTINUED ON NEXT PAGE



# **ITALIAN LEATHERGOODS** EXHIBITION presents the

35th MIPEL

7/12 June 1979 On June 12 the event will close at 2 p.m. at the Pavilion 30 (Plazza 6 Febbraio) in the Milan Fair grounds

8<sup>th</sup> SELEPEŁ

20/23 October 1979

On October 23 the event will close at 2 p.m. at the Pavillon 30 (Plazza 6 Febbraio) in the Millan Fair ground

# 36<sup>th</sup> MIPEL

January 1980

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Regolarità, Cross, are made in a people and produces 50.000 modern factory - 25.000 sq.m. covered area on a 200.000 sq.m. total surfaca - by a first class managerial staff, by highly specialized technicians using truly advanced control and production means.

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It is one of the leading manufacturers in the field in Italy and one of the most up-to-date in the world its products are characterized by an outstanding performance, fine quality of materials and a high-class finishing, styling and design. The reasons of Fanticmotor's

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# ITALY XI

**The Vatican** 

# A significant year

THE VISIT of Pope John Paul II to his native Poland at the beginning of June will mark-the climar of what has perhaps been one of the most significant years in the history of the Roman Catholie Church. For the first time in four and a half centuries, a non-Italianand indeed one from a Communist country - has been

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clected Pope. The election last October of Karol Cardonal Wojtyla, the former: Archbishop of Cracow, was clearly intended as a symbol ef the apparent renewal of the Church and a tangible ex-pression of the Church's sense-of universality. Already in the first five months of his pontifi-cate the new Polish Pope has lived up to these expectations.

From his very first state-ments, he emphasised the need to ensure fundamental kuman rights and freedoms for all chizens. He has repeatedly laid considerable stress on the need to advance the spirit of ecumenism with the othar churches and has insisted that

the institutional church as such bad no direct role in political life.

In his first encyclical last month entitled "Redemptor Hominis," the new Pope strongly attacked the failings of both Western and Communist models of society and warned bluntly of the dangers of the everincreasing gap between rich and poor. The document reaffirmed the Pope's determination to preserve the Church's independence and to concentrate on protecting man and his dignity irrespective of the political system under which he lives The Church, it asserts, "is In no way hound to any political system and is completely separate from the political community.".

# Style

The Pope's own personal style has also had considerable tion against abortion. impact. When his name was Like Pope Paul VI, first mentioned from the hal- Pope at the end of cony overlooking. St. Peter's chose Latin America-Square, the reaction of the vast crowd of some 200.000 gathered there was at first one of bewilderment. One local Roman standing in the Square when he heard the Pope's name pro-nounced exclaimed. "My good. ness, they have elected a Japanese." But his election, after the

initial reaction, was entimislasti-cally welcomed also by Italians. especially in view of the new Pope's apparent disregard for a continent whose huge social traditional Vatican pomp and and political problems have profocol. His accessibility and aroused some of the flercest ferhis conception of his tole essen. ment in the Roman Catholic tially as a pastoral leader. A Church and where, according to



An enthusiastic welcome from a group of nuns for the Pope at his Sunday morning appearance in St. Peter's Square.

Important for a

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As further evidence of bis

desire to continue the broad policies in Italy of his prede-

cessor is his declared intention

to complete the important revision of the Concordat, the

pact regulating the Church-

relations in Italy con-

areas of doctrinal, social and political affairs. For his part a policy of "political concessions the Pope has implied on for pastoral gains " and aims to various occasions that his enhance the Church's mission in papacy is likely to be marked by a liberal policy on social issues and a centrist and generally traditionalist approach on theological, and doctrinal issues.

Above all, he has assigned particular prominence on the policies emerging from the Second Vatican Council started tries The hy Pope John XXIII and com-pleted under Pope Paul VI. He appears to be true of the new Pope's attitude towards Euro-communism, an issue which is has suggested two alterations, for example, in the increasingly particularly country like Italy. While the controversial question priestly cellhacy and the Church's traditional view on divorce and related family dialogue between the Italian Communist Party and the Church could now increase, the Church has also asserted that issues like hirth control and abortion. In this respect the there remains an incompatability hetween Christianity and Pope earlier this year became Marxism and an incompata-bility hetween the Church and entangled in a bitter revival of the controversy over recent legislation legalising abortion the Communist Party so long as

in Italy and re-affirmed the the latter maintains a Marxist-Vatican's traditional moral posi-Leninist approach and its underlving aim to set up a collective State, sometimes referred to as Like Pope Paul VI, the new Pope at the end of January Marxist and on other occasions chose Latin America-a contias Socialist. None the less, the Pope has also rigorously attacked the "moral disorder" expected within a few nent years to make up as much as half of the world's Roman of Western societies where indi-Catholic population-for his vidual liberty is often confused first major excursion outside with excessive consumption and

Italy, to attend the opening of the Latin American Episcopal Conference in Mexico. There he again stressed the need for human rights and seemingly endorsed in part the politically activist involvement of many Roman Catholic missionaries in

This dialogue has been called being often depicted as a dull and "hureaucratic" figure, was his . concern to ensure the hroad lines that he hoped his Eastern Europe and see its vocasuccessor would assume.

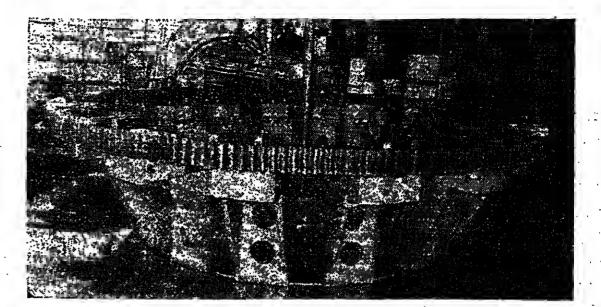
tion recognised. Howevar, in a predominantly Catholic country He davoted much time to reforming the Government of like Poland, the election of a the Church, seeking to give hishops greater involvement in Polish Pope is bound to put considerable pressure on the the problems affecting the Government, as indeed on those Church and a greater voice in of the other Communist counthe ruling Vatican Curia. He wanted to rejuvenate the same to some extent Italian-dominated, hureaucracy

of the Vatican, and progres-sively if slowly to inter-nationalise the Church to prepare it to face a modern society. Above all he wanted, and In great part succeeded, to open the way towards freeing his successor from the constraints of the Curia and to allow him more flexibility to pursue a pastoral role.

The election of Cardinal Wojtyla is clearly in line with this thinking. The hroad pattern had already heen set by the election last August of the shortlived Alhino Cardinal Luciani, the Patriarch of Venice and an essentially pastoral figure, shortly after the death of Pope figure. Paul VI. In a sense, the sad and brief pontificate of harely one month of Cardinal Luclano, who chose the name John Paul L represented the necessary transition leading to the election of the former Archbishop of Cracow. At the time it seemed - on the surface at least - a dramatic and revolutionary choice. Five months laler. it looks perhaps as an ohvious one.

# **LOMBARDY - A EUROPEAN STRATEGY**

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The Lombardy Region has prepared its first development plan. It has been worked out bearing in mind national development plans and it outlines the stages of development for Lombardy over the next decade. While stress has been laid on quality rather than quantity (also in order to reduce the gap with the less industrialised Southern regions) investments have been allocated as follows:

27

Out of the total funds available, Lit. 3,800,000m., Lit. 500,000m. have been allocated to social services, Lit. 1,400,000m. to the economic sector and the remaining Lit. 1,900,000m. to environmental problems. This means that expenditure in the social field will be on a higher level, though restricted, to the advantage of investments in the advanced technology sectors, which, requiring skilled labour at a medium-high level will not cause an inflow of workers from the South, but stimulate qualification of the existing labour force. Thus employment levels will be protected by better organisation of the production structures. Technologically more competitive industry, advanced agriculture and the necessary and qualified auxiliary services require the preservation of natural resources and adequate territory interventions. Therefore the regional development plan has focused on the environment as a priority sector and, in particular, on the completion of hydraulic and sanitary works and the rehabilitation and purification of the lakes and rivers as well as transportation and road works. As Lombardy's European role necessitates a good communications and service network with other European regions, the plan provides also for work such as the Stelvio tunnel, the extension of the Malpensa international airport, a railway transport plan and new customs facilities.

This is the strategy adopted by Lombardy and a clear proof of its European calling.'

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measure of his popularity was the need to hold three general audiences on a Wednesday late last month-the day the Pope traditionally holds his general poblic audience to accommo-date the increasing number of pilgrims and Italians wanting to

is particularly significant. In a should stay out of politics, country where more than 90 In essence this was a dec country where more than 90 In essence this was a declara-per cent of the population are- tion to the effect that the Church Catholics despite the large elec. in Latin America should give toral support toral support enjoyed by the priority to defending the rights powerful Italian Communist and interests of the poor. But Party, the election of Pope John in a continent torn by military Paul II will inevitably weaken dictatorships, torture and the traditionally strong, if re- oppression and where the divithe vatican and the long-ruling often at their extreme, such a Italian Christian Democrat concept carried with it major Party. At the same time bis implications for the Church. It pontificate is also expected to implied direct involvement in open up a whole series of ques progressive. Left-wing Latin tions about the future course political affairs, and for many of events in the Catholic parts. American clerics it represented of Eastern Europe and perhaps a call to engage directly in shout the future development, fighting in-defence of human structure as a whole.

the new the filtilite of the cluded between Pope Pius X Church is prohably at slake. and Mussolini. The spirit of the But he also firmly indicated revision is in keeping with the that he did not go along with the more extremist interpretafundamental thinking of both the Italian political parties and the Vatican, which seeks "no privileges but only sufficient tions of the so-called concept of the " theology of liberation " formulated some 10 years ago et see him. For Italy, as indeed for the ence at Medellin in Colombia. Pope Paul VI sought to establish formunist world, his election The Church, he re-asserted, in Italy the Church's tolal and

of the Soviet dominated power rights and against oppression. In the same way, despite the However, it would be mislead. Pope's personal hackground, ing to consider the election of Vatican observers generally feel Pope John Paul II as a sudden there are unlikely to be early change in Vatican attitudes and and dramatic overtures hetween a major hreak with the recent the Valican and the Communist policies advocated by the world. The new papacy is likely Courch. Indeed, in many re- to endotse and reaffirm the spects it is quite the opposite. gradual "npening to the East." "His election is in large measure a dialogue between the Courch seen as a consolidation of the and the East European Commufundamental philosophies of the nist countries launched unspecproacy of Pope Pani VI, who tacularly some three years ago died last summer, in the key under Pope Paul VI

liherty to carry forward its unambiguous autonomy from its old ally, the Christian Democrat Party. Against this background, the election of the new Pope and his first preliminary policy statements over the last few months indicate that the Church intends to continue on the course established by Pop Paul VI The late Pope clearly left his successor with a difficult legacy, including the conflict between the modernists and the traditionalist who bave never forgiven the dropping of the Latin liturgy, the challenge of a developing world not steeped

acquisitiveness

basis in ethics.

Conflict.

State

in European and Mediterranean traditions, the challenge of the polifical Left, and the contro-versial question of priestly celibacy, family issues and the role to be assigned to women in the Church. However, Pope Paul VI also devoted enormous efforts to

consolidating the revolutionary changes advocated, but not all introduced, under the innovative and progressive pontificate of Pape John XXIII. A vital question. often misunderstond and resulting in Pope Paul VI

#### Story CONTINUED FROM PREVIOUS PAGE

leading accused, neo-Fascists Franco Freda and has taken place at union level. Giovanni Ventura, escaped Workers, like the political separately, within a three-month militants, felt that their interval. At best it was incom- orthodox leadership had gona militants felt that their orthodox leadership had gona petence, at worst complicity on too far along the road io comthe part of a state that might well have been frightened at the secrets that could have been fold. In any case the blow to the reputation of the security forces was immense, and pres-sures have again mounted for the effective overhaut of the whole apparatus, which was promised by the outgoing Andreotti Government. Terrorism on the Right was, swiftly matched by terrorism

on the Left, fuelled by political causes of its own. The first, and probably most important, was increasing disorientation and dissatisfaction on the far Italy's chaotic Left at the advance of the Communists along the path of the "historic compromise," or "historic compromise," or The hahit has spread back to staff shows only too clearly. Understanding with the Catholic the schools, which are now a There could not be a more vivid forces in Italy. Revolutionary battleground in the highly warning of the threat to law purists concluded that the party politicised gang warfare that and order in Italy of un-had ahandoned its soul in search can slice through Italian cities. employed youth. for power, and took matters into

their own bands.

promise with the establishment. The consequence is that factories are often hot-beds of extremist agitation, especially in northern cilies like Turin where many of the ordinary workers are displaced southern migrants. Symptomatic of the trend was the murder in Genoa Brigades in January, after he had helped identify one of their Italsider steel plant.

A similar process undoubledly

sympathisers at the local Ministry, it has been thrown Another breeding ground for are enrolled. The Faculty inextremism and violence is evitably has become not only a

invented to foment terrorism. On a member of the university

Nowhere perhaps suffers worse than Padua (which brings

us back to the university professor attacked there on March 21). That once-pleasant city, 20-odd miles inland from Venice and tha bome of one of Europe's most distinguished universities, which played bost to Copernicus and Galileo and Harvey, is proportionately the second worst city in all Italy for drug addiction and hold-ups.

The new Psychology Feculty, to cite but one example given Professor Luciano Merigliano, Rector of the university, was conceived for 1,000 students. Now, following direction from the Education opeo to all. Over 9,000 students university factory of unemployment but system, which might have been also of terrorism, as the attack

R.C.

April 1979: the businessmen operating in the field of coffee the world over... and a Bank: B arranged to meet in Genoa

> IBL Istituto Bancario Italiano, will be present at the Exhibition with its own counter and its highly qualified staff in order to provide complete banking assistance to businessmen at the 4th International Coffee Exhibition.

**ISTITUTO BANCARIO ITALIANO HEAD OFFICE MILAN IV SIC International Coffee Exhibition** 

# ITALY XII

# Bookings look healthy

Tourism

JIT . during the present boom that it and businessman instead of a was only five years ago that loyal party stalwart. But, as Maly's then Minister for was predictable, he has been Tourism was advocating closing moved out in the latest Governdown his Ministry and tracs ment changes. ferring its functions elsewhere. Tourism is now just too large That was in the wake of the an item in Italy's balance of 1973 outbreak of cholera in payments to be treated lightly. Waples, when the number of It is also one of the country's foreign visitors fell drastically key industries, accounting for and earnings of foreign about 2m employees and currency from tourism were a 250,000 different companies: fifth of their level today.

The Ministry still remains The least important in the In 1973 — the year of Italian Cabinet. Its building the terrorists, the bloro assassinhardly inspires confidence, ation, and bad publicity in huddled away in lonely isola- the German Press — foreign tion behind the Basilica of St. currency earnings from tourism John in Lateran, and the Minister is still the first th be sacrificed in every Government reshuffle.

solution is the second in rontrol. For the first time in -many years the Ministry or the lira was such good value rbenefited from being in the compared with other European

hard to remember hands of a competent manager the equivalent of L6,000bn in

and so on.

ycar.

foreign currency. But observerscarefully point out that the iucrease does not necessarily mean more foreign tourists, or even that the same number are spending more lavishly.

increase hotels, agencies. Inur operators

A large part of the increase produced dividends. will be accounted for by rising prices. Operators are also worried that unless the labour disputes now crippling Alitalia. the German Press - foreign the national airline. are settled quickly they will have serious totalled just over L5,000hn. or L1,000bn up on the previous repercussions.

However, there are a number of concrete signs that 1979 will turn out in be another good Bookings are known to have year. Summer bookings are up on 1978 and the hotels and heaches along the Adriatic are ady preparing for a record invasion of German holidayof the 1973 cholera epidemic. between June and makers

currencies that a holiday in A sudden. massive take-off by 100 largest uptrant a field Italy was too good in miss. Italy's winter skiing season has field and perhaps the most This year expectations are also been encouraging. After successful is the Italian sub-high that tourism will bring in years of neglect by foreign skiiary of the American Ex-high that tourism will bring in years of neglect by foreign skiiary of the American Exskiers who have always pre-ferred Switzerland. Anstria and France, the Italian Alps' have snally come into their own.

these events spend about

per cent more than normal

tarles or children with them.

press. headed for the first time by an Italian-born managing director. Sig. Gustavo Galluzzi, has been The international success of in the congress business for Italy's ski team, the Bluc only four years but it has man-Avalanche, can be given some aged to corner the largest single of the thanks for this. But share of the Italian market with nationally-sponsored advertising its own specialised congress campaigns abroad bave also section. Its success; particularly with In addition there is a good

arranging medical and scien-tific events, has been largely financial reason why Italian ski slopes have suddenly become so attractive: a two-week stay at responsible for prompting the government in take the con-gress husiness more seriously in one of the top Italian resorts-Cortina, Courmayeur, Sestriere, terms of foreign promotions. But a proposal to introduce not to mention the less-fashionable but equally good alterna-tives such as Cervinia, Madonna some form of subsidy system for such activities has fallen by the di Campiglio. Ortisei-costs less wayside for the time being. than its equivalent on the other side of the Alps and has as much to offer in terms of skiing

The congress husiness is no easy investment. A large international event requires conand apresski life. Onc of the added joys for the hardcned piste follower used to siderably more in terms of organisational skill and special management techniques than a group tour of pilgrims going to the Vatican. It takes about a year and a-balf to organise and system. This allows limilless the Vatican. It takes about a rides for a given period, not year and a half to organise and unly on all lifts in one village needs the support of a vast net-

> more and more sophisticated in with simultaneous translation, smaller ceotres such as Florence, Bari and Bologna cannot always compete.

International congresses and All these considerations probably account for the fact that only 14 world-wide con-gresses are scheduled for Italy this year-with American Ex-press picking up six of themcompared with the 40 in 1978.

is room for improvement in the industry. Existing facilities to cater for the normal tourist traffic are used at only balf

car-hound tourists from Gerrecent years. And while Venice. many, Holland and Austria, is Rome and Milan have little still under-developed although difficulty in providing facilities it has much to offer. The wellorganised private tour operators closed-circuit television, audi- are almost all non-Italian and

# Facelift

compared with the 40 in 1978. few years ago, but now the idea L600bn in 1977) even though Even at a time of boom is to re-vamp the musty, old-strict currency regulations are figures there is no one in Italy fashioned organisation with its still in force.

who would disagree that there gloomy offices and dog-earcd, out-of-date brochures. About L8bn is to be poured. into the compary of which 1.2.5bn will be spent giving the overseas offices a facelift. their full capacity. The Sonth overscas offices a facelift. of Italy-the Mezogiorno- Another L2.5hn will be spent geographically too far for the on the Italian network and the remainder on reorganising and retraining headquarters per-sunnel in Rome and installing computeriscd equipment in cope with the requirements of a modern international tour

While much of the attention is given up at present to attracting the foreign client and his currency, more could also be done for the Italian tourist at The State-operated and con-trolled CIT (Compagnia Italiana Turismo) has not been much of a success either and registered losses of L2bn in 1978. There continues in rise (last year list was talk of closing it down a totalled LS00bn compared with

Here the regional authorities are already working hard. But there is a danger that the richer and better-organised regionsmostly in northern and central Italy-will putspend and outshine their poorer neighbours in the south. -

It it already evident-that a special effort is needed to bring tourists to Calabria. Puglia, Basilicata and Siclly. As private investors arc still reluctant to go south this may leave the State carrying the full financial cost.

But unless the development is carefully planned the Mezzo-giorno could find itself bur-dened with the holidaymaker'a equivalent of the industrial cathedrals in the desert-large, seasonal, self-catering tourist playgrounds which have few links with the surrounding community's social or economic needs.

Mary Venturini

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The ruins of the Forum, one of Rome's populor sightseeing attroctions.



٠N ABSTRIK SHITZERLARD rieste Turin The largest operator in this 100 Kms forence The company, now Livorno < Perugi Terni CERSIGN ROME CTC. isliano d'Arco Napl Patenza SARDINIA Catanzaro Messing Palermo . . . . . . . . SICILY Syracuse

hut in a whole valley or even work of facilities-from arranging travel and hotel bookings to printing gala dinner invita-The drive in use tourist facilities during off-season monthstions. September to April-is now one of the main priorities for both Such events are also subject to cyclical fluctuations. For the national and regional tourist authorities as well as for the example, no association wants to hold its annual meeting in prirate operators. Italy traditionally has been the same place two years run-ning. And a congress organiser the place for summer holidays. is more likely to he swayed by strikes and political violence than the ordinary tourist when There is no good reason, however, why Taorming in Sicily with the snow of Etna behind it choosing a veoue. aod the beaches of the Mediter-Congresses have also become

toria seminar rooms and dining the few Italian ones are mostly operator. arrangements for 2,000 guests, regionally based. Wbile

For the first half of 1978 the ENI Group showed improved income and cash flow together with increases in investments and research and development activities.

A brief report on operations during the first six months of 1978, prepared by ENI (Ente Nazionale Idrocarburi) for the "Commissione Nazionale per le Società e la Borsa" shows satisfactory economic results, with consolidated growth rates generally running conspicuously above the same period in 1977.

The best results were made by the energy sector, operationally the most important sector of the ENI group. Exploration and production activities were favourable on the whole, largely following last year's trends. More effectively controlled prices affecting oil supplies, their processing and the marketing of petroleum products diminished losses and natural gas transmission and distribution operations showed positive results.

By the end of June 1978 natural gas produced in Italy and transmitted to the market amounted to around 6.5 billion cubic metres. and with the addition of imported gas, the amount of this hydrocarbon fucl distributed by ENI group companies to the domestic market amounted to a total of 13.6 billion cubic metres. which was over 97% of all natural gas consumed in the country.

The production of domestic crude cil and liquid gases increased 49% compared with the first half of last year. Group equity ownership crude produced abroad was 6.5 million tons while the offtakes in excess of ownership shares brought total availability of such supplies to 7.5 million tons 7.5 million tons.

7.5 million tons. There were significant increases also in marketed petroleum products both in Italy and abroad. During the six-month period group companies marketed 13.6 million tons of products in Italy, which covered 32<sup>m</sup> of domestic consumption.

Two other sectors of group operations were reported to have shown equally good results: mechanical manufacturing and engineering and services.

Total man-hours absorbed and indices of productivity for mechanical ouerations were productivity for mechanical ouerations were very satisfactory, leading to an overall favour-able economic result. Among equipment orders now being executed, of particular interest is a contract to supply 366 compressors for the uranium enrichment plant being built at Tricastin, France. As for the continuation of similar good results, the report points to a somewhat clouded future for acquiring new orders due to a persistent rejustance toward orders due to a persistent reluctance toward new capital investing by both national and international buyers.

For the engineering and services sector, the ENI group companies involved showed economic results better than last year's first half. In contract drilling the employment of

U B CARLEN

equipment and rigs was of a constancy greater than originally expected: the total depth drilled than originally expected: the total depth drilled was 211.372 metres. Construction of plant off-shore and nn land involved placement of 29,379 tons of crected materials. The furnishing of engineering and supervision services suffered from delays hitting some foreign contract executions, caused by late delivery of materials and lateness of sub-contractors in carrying out assignments. On the whole, however, economic results were positive even if not quite as good results were positive even if not quite as good as last year.

Results for the chemical and textile sectors. on the other hand, continued to be heavily deficitary, both suffering because of continuing structural crises and the critical economic situation. Although chemical production and sales volume showed overall increases there was only a modest increase in actual revenues for the first half of 1978. Unit product prices remained generally depressed and even where in some departments there were limited increases, there was an insistent failure to keep up with the inflation rate spiral.

Particularly hard hit were fibres and plastics. A pick-up in demand for clastomers from downstream transformers reflected favourably. Also for fertilisers results were lightly favourable, but the delay and incompleteness of the price control authority. CIP (Inter-ministerial Price Board), in making adequate provisions, together with the increasing international competition, limited such results.

Lasses by the textile sector accumulated by June 30, 1978 merc greater than those shown for the same period in 1977. Suffering most were the wool and cotton divisions. Orders from wholesalers and retailers were curtailed because of reduced domestic demand for clothing.

Despite the bad news from some sectors, the pick-up in production and improved results by others was sufficient to reflect favourably on the consolidated group results. The report states consolidated sales at the end of June totalling \$\$,363 million (21%, above 1977) and cash flow amounting to \$610 million.

The improvement of margin made possible, on the one hand, an allocation of \$655 million for depreciation, depletion and anortisation and, on the other hand, an outstanding outlay for technical and research and development investments in Italy and abroad, amounting to s614 willion for the six months, with a limited records to new borrowing. In fact, the report states the net outstanding debt of the Group had sillen to S6,477 million which is lower than the amount at December 31, 1977, a fact reflecting favourably upon the financial structure and reducing the amount of debt service charges.

# the IRI Finmeccanica group

# 1978

30 companies 51 works 86,000 employees orders received 3,000,000,000 dollars invoiced value 2,500,000,000 dollars

#### MAIN STOCKHOLDINGS

energy

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tionship The disagreement seemed to have reached the. point of open had temper when the European Commission, at

the end of three days of routine and apparently fruitless " high level" talks in Tokyo, leaked to reporters in Brussels a document which hinted at the need for restraining Japanese imports and described the Japanese as a "nation of workabolics living in what westerners regard as little better than rabbit miches."

The EEC document, or rather the leak, has been interpreted in some Japanese official quarters as one more proof that Brussels bureaucrats are to the market for manufactured irresponsible and not interested or food products. in observing international etiquette. But it may also have sbocked Japan into realising the sense of crisis that prevails in Europe : about : trading with them.

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# Acute tension

Despite the size of the Japanese surplus the problem that is causing acute tensions between Brussels and Tokyo is not trade imbalance as such The EEC and Japan both subscribe to the principle that countries should balance their accounts with the outside world on a multilateral hasis, not bilater-ally. The EEC will be in external sorplus in 1979 both on trade and corrent account. the fact that it will undoubtedly be several billion dollars in the red in its bilateral account with Japan should not matter. What does matter, as Europe

sees it, is the fact that the Community's deficit with Japan seems to become larger, every trade seems to require that the year. In 1970, EEC Japanese country should run a permatrade was almost in halance (there was only a small surplus of \$300m in Japan's favour).

Legislating

From Mr. P. R. Pennington ...

Sir. - In the last few days

of the outgoing Parliament-some 25 Bills were frenctically-rushed through, in many cases

untouched yet by römmon con-sent, possessed of manifold im-perfectious and requiring much

instances (for example, an Act

in haste

·Legh

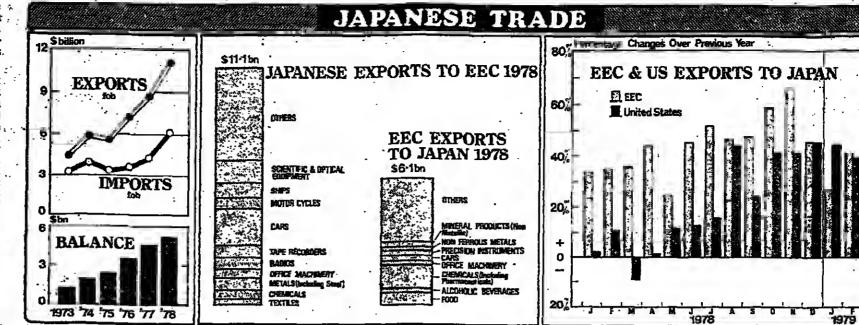
JAPAN and the EEC have a and from then on it graw at a . long history of disagreeing fine of almost \$1ba a year. In about their two way trade rela- 1978 it had reached \$6.4bn. (This is the EEC figure: according to Japanese trade statistics. the gap was somewhat smaller.)

> The Commission elaims that the reason for this trend is that Japan is not a truly open market. Japan's tariffs, and quotas are acknowledged to be very moderate compared with those maintained hy other advanced industrial countries. Japanese non-tariff barriers, are considered in however, Brussels to be among the most formidable in the world. They consist mainly of certification and inspection procedures which increase both the cost and the time involved in gaining access

Japan agrees in principle that Europe ought to be able to sell more in the Japanese market. It disagrees with Europe about where the blame lies for the present situation, and how much argency to attach to it. The Japanese point out that the EEC imports from Japan still represent only 2.3 per cent of total-Community imports. They also argue that,

if invisibles are included, Japan's current account with Europe appears a good deal less out of balance than if one studies the trade account alene. According to its own statistics; Japan has been running an invisible deficit- of around \$2bn with Europe in each of the past three years and bas therefore been in current account surplus with the Community by amounts ranging from \$2.7bn to \$4.7bn.

> What Japanese officials. do not emphasise to anything like the same extent is that the structure of Japan's foreign nent surplus with the advanced trading pations. Japan imports why American pressures on practically all the raw materiala Japan to increase its imports



. . . .

be in permanent deficit with by the EEC. major primary products exporters such as Australia. Canada and the Middle East. In porters' such order to cover these deficits it has to run a surplus with countries that are large bahitual importers of manufactured goods-in other words the EEC and the U.S. The Japanese recognise that

tend to shrug off the implications by saying that Europe seems to be able to balance its men). accounts without running a surplus with other industrial-

ised economies. That is a point a promise not to huy excessive which does not apply to the amounts of animal bides in the U.S. The U.S. is in deficit both in its hilateral trade . with Japan and with the world as a industry. Europe failed whole. That may he one reason By 1973 the gap exceeded \$7bn, and energy needed to supply seem to receive more response Japan's \$4hn emergency import

The point about Japan's alleged habit of listening to the Americans harder than it listens to Europe is important because considerable conflict of interest exists on either side of the Atlantic with regard to the Japanese trade prohlem. The U.S. got one jump ahead of Europe in the winter of 1977-78

The Japanese recognise that when it caused Japan to Europe is also an importer of liberalise its imports of oranges raw materials and an exporter and beef (two products of of manufactured goods, but special interest to U.S. farmers whose votes are, in turn, of importance to U.S. Congress-

Early this year the U.S. managed to extract from Japan American market intended for the protected Japanese shoe to obtain a similar undertaking. There have also been hard feelings in Europe about the way

products, favour such 25 uranium and passenger aircraft, of which the U.S. is a very major supplier while Europe either occupies the Number Two position or ranks nowhere (at least so far as the Japanese market is concerned).

## Exchange rate

A third area in which Europe would seem to have lost (at least temporarily) to the U.S. is in the struggle to gain an exchange rate advantage vis-a-vis Japan. The U.S. dollar depreciated against the yen by 27 per ceot during 1978 (although it subsequently made up some of this lost ground), while European currencies depreciated on average by only about half this amount. The result shows up clearly in the way U.S. exports to Japan surged towards the producers such as Korea, except that in these two cases, not permanently damage the end of 1978, while the EEC's Taiwan. Hong Kong and Singa- it was the U.S. and Britain that chances of achieving a satisfac-exports (competing in the same pore-four places labelled in a lost ground. Italy managed to tory trade relationship.

its industry and thus tends to than similar pressures applied programme has seemed to narrow corner of the Japanese recently published U.S. Conmarket which is reserved for gressional report as the "new imported manufactured goods) Japans." over 3 per cent of Japan's non-oil imports in 1967, but bad tended to level off.

In February, the last month managed to increase their share for which figures are available, the year-to-year rate of increase to 10.7 per cent by the end of 1978 (compared with an 11.3 per of Europe's exports once again cent share for the EEC). moved marginally ahead of the

U.S. rate of increase, but for a still sell mainly in the lower end of the Japanese market but this special reason. Of the EEC's sales to Japan during the month question, 10 per cent consisted of non-monetary gold, a product which Japanese private consumers recently have hegun

to hoard following the removal restrictions by the Ministry of Finance on private ownership of gold. The U.S. is not the only competitor facing Western Europe. in the Japanese market for imported manufactured . goods. Japan elso bnys manufactured goods from neighbouring Asian producers such as Korea, buck the trend-and increase its exports of both these categories;

of goods; The Japanese say that their imports of manufactured goods. which have already increased from a low point of 20 per cent of total imports to around 28 per cent, will become progressively more important, maybe making room for everyone. This may be true in the medium or long term, but officials admit that the opposite may occur in the immediate future. Japan's manufactured goods imports are expected to stabilise, or at least to rise less rapidly, in the latter part of 1979. Thus European exporters to Japan may find 1979 a less easy year for selling to Japan, in spite of the assurances that things will become easier in the end.

# Import curbs

If the EEC loses patience at this point and decides that the time has come to start adjusting the trade balance by restricting imports from Japan. there would appear to be plenty of scope for action. EEC countries currently maintain residual import restraints on 64 traditional Japanese export items while Britain has persuaded Japan to adopt "voluntary controls", at industry level on a range of products (including cars receivers] which and TV constitute

has not prevented them from emerging, in some cases, as abont 30 per cent of Japanese direct competitors to estab- exports to the UK. lished European exporters. The If it feels driven to take watch industry is a case in drastic action, the European point. Hong Kong, Taiwan and Commission could seek to adopt Singapore all made spectacular throughout the Community the gains selling watches to Japan restraints which exist of a de during 1976 and 1977. Switzer- facto hasis in Britain. The question is whether this would be a useful way of Dringing land (the traditional market leader) and West Germany lost ground substantially. What Japan to its senses, as the happened to watches also hap hawks in Brussels are inclined pened to toys and furniture to argue, or whether it might

organisation COMPANY RESULTS

#### Letters to the Editor planned community created in the national interest, is not a matter of limited finan-

cial accounting within BSC, but of wider national social and -political decision. R. G. Jobling, Fellow, St. John's College, 10.00 Cambridge.

# **Barristers**'

called

earnings amendment. The product of this baste is now piled on our From The Chairman.

are often to

responsibility involved.

solicitors.

groaning statute books. In many British Legal Association occurence would not bave passed unnoticed. Sir,-While I agree with Mr. concerning standards in the David Hirst QC. Chairman of shipping industry) people's the Bar (March 29) that fees for

Michael Ryan. shipping industry) people's the Bar (March 29) that fees for livelihoods and skiety are at legal aid defences in criminal Social Work. University College of Swansce,

respect of total final consump- failure of which could lead to tion over this decade. an irrational prejudice against It is also relevant to mention the adoption of electric traction that date published in the CSO which has been amply demon-

blue books permit the calculastrated to be more efficient and tion of NHS spending as a per-effective centage of total public power. expenditure. For 1966 and 1975 The effective than the use of diesel The use of high-speed. essentially conventional " wide body -the years of interest to Mr. Arthur-the figures are 9.0 per trains on routes capable of cent and 10.1 per cent respec- accommodating them at speeds tively. It follows that if NHS of 100 mph plus in service costs had roughly trebled in real would seem to be (on the basis terms during this period, so too of HST experience) a realistic ture. And such an improbable

would seem to be (on the basis would the total public expendi- and practical alternative to the APT which has. so far. singularly failed to impress on the commercial front despite its technical elegance. The use of Department of Social Policy ond a de-rated APT, possibly dieselpowered for service on curcross-country Vaceous or

GENERAL UK: Mr. James Callaghan launches Lahour's general election campaign, starting nation-wide tour in Glasgow.

BL (British Leyland) conference of senior executives and tion with Japanese car manufacturer Honda.

new computerised settlement system. becomes fully operative. Teachers' pay talks resume. Department of Industry publishes March provisional sale price index numbers.



Sir William Barlow, Post Office hourg. chairman, speaks at hunch, Chandlers Hall, London. Mr. Milton Friedman, U.S.

Petroleum Exporting Countries (OAPEC) meet in Kuwait to economist, zives Harry G. Johnson memorial lecture, at iscuss Iran's proposal to suspend val Society, London Exyptian membership of the Business information in the

on

Final dividends: Autora Hold-ings, Blackwood Hodge, Dares ings, Blackwood Hougs, Green-Estates, Dorada Holdings, Green-Holdings,

hank Industrial Holdings, Hambro Life Assurance, Hunt-Council meets in Luxembourg. leigh Group, London Pavilion, Richards (Lelessier), Rowatree Mackintosh, Wilmot Breeden EEC Agriculture Ministers start two-day meeting in Luxem-

They supplied just

Neighbouring Asian countries

Central Bankers meet in Basle for two days. Organisation nľ Arzh

You know you've got

(Holdings), Yorkshire Fine Weollen Spinners, Interim divideods: Bryant Holdiogs, Weollen divideods: Glazo Holdings, Highland Distilieries Company. COMPANY MEETINGS Diary See Financial The same and the state of the second state of

ent one

10.20

mion leaders discuss collabora- Staffs conference, Sprrey University, Guildford. 'Talisman, the Stock Exchange's

stake: In other Bills far from unimportant economic environmental and social issues are involved.

Putting aside for one moment the urge to congratulate all sides of both Houses on their hitherto unsuspected speed exhibited during this late sprint to the finishing post, one can-not help but fear that the interests of our legal and Parliamentary systems are being ill-served by such forced measures.

If indeed these Bills (and others which die in mid-term) are essential and apolitical, then surely an all-party commitment. can be given (albelt non-binding on future Parliaments as to their support or opposi-tieo) that aborted Bills be reintroduced at the reading stage reached when the guillo-tine fell. Moreover, reasonable time should be allotted (in the mornings perbaps) by the in-coming Leader to the House to ensure that such carry-over Bills can progress in an orderly fashion.

P. R. Penniogton-Legh. 51, Kings Road, Windsor, Berks.

# **Corby** faces disaster

From Mr. R. G. Jobling.

Sir,—I read with interest your report on Corby (April 4). It must be emphasised that Corby as a town only exists at all be-cause the steel industry and a series of national governments collaborated in its foundation to provide steel and tubes in the national interest. After the war-it was developed as a "new town" distinctively different from virtually all the others in overwhelming unique, dependence on a single industry and employer. Diversification was deliberately impeded, and S. P. Best, British Legal Association. no-one disputes this, in order to protect the steel works from competition for labour. This was so until at least 10 years ago. Corby's vulnerability as a one-industry community has come 20. Church Road. Tunbridge Wells. about therefore by official design during the last 30 years.

Closure of the steel works would entail local unemployment of over 20 per cent. It would be followed by a closure of the tube works, and over 30 per cent unemployment. The justification given by BSC is the problem presented by on-coming new steel capacity on Teesside. Interestingly your report deals separately with the new giant works on the Tees, and you question the viability and appro-Priateness of such a development. Our competitors are apparently already abandoning such schemes

Such schemes. Closure at Corby would bring ture at 1975 prices for the years connguration of one-line. Closure at Corby would bring ture at 1975 prices for the years connguration of one-line. Sconomic and social disaster on 1967-77. From it one can is worrying is that proposals for a scale not seen in Britain since calculate an increase of 34 per future electrification of a wider a scale not seen in Britain since calculate an increase of 34 per future electrification of a wider a scale not seen in Britain since calculate an increase of a per future electrification of a wider a scale not seen in Britain since calculate an increase of a per future electrification of a wider

Singleton Pork, Swansea difficulty in accepting that one third of all practising barristers

earn less than £4,000 per year. of course, if, in this one third he includes the one quarter of the Bar recently called—many of them undergoing pupillage (i.e. training like a solicitor's articled clerk)—then his figures Railway. technology From Philip N. Mortimer Sir,-Receot reports in the technical Press on the review make better sense. Why, bowever, should we lament because the Advanced Passenger young people at the threshold of their professional life earn less Train project and its progress to date raise a number of pertinent issues which colour the whole problem of long-term than £4.000 per annum? My concern is for the experienced solicitor or barrister working primarily on legal aid matters

traction policy on British Rail. The long (and lengthening?) gestation period for the APT whose income is very much less than one might reasonably expect for the skill and puts in increasingly in the "jam tomorrow" category and forces an meritable reliance on exist-ing traction and rolling stock inventories to meet the thrust Mr. Hirst says that he has seen no "public demand" for extension of rights of audience of competitive modes.

The promise of 150 mph operation over existing track and infrastructure has been to solicitors in the Crown Courts in trials hy a jury. That is hardly surprising. On the whole, the public does not voluntarily visit the Crown Courts so that it cannot com-pare the general position there progressively de-tuned to a more realistic 125 mph level but this has still to be achieved. The saga of continuous modifications, design changes and associated production problems needs no further elaboration. with the Sberiff Courts in Scotland where most of the jury tripls are conducted—for prose-cution and defence alike—by Suffice it to say that the project bas soaked up considerable technical and financial resources In Bodmin Crown Court

where solicitors historically for, as yet, no tangible return. bave, and regularly exercise, the With this in mind, and with the prospect of either further delays or outright cancellation of the APT project, where does right to appear as advocates on equal terms with harristers, the disastrons results forecast hy Mr. Hirst bave not occurred: inthis leave BR's plans for equipdeed barristers at Exeten and ment to operate main-line pas-Plymouth local Bars flourish in senger services? The success of Plymouth local Bars flourish in the High Speed Train (HST) competition with solicitors. The proof of the pudding is in the eating thereof, and if rights of on non-electrified rontes may give some clues for at least one audience are extended through- course of action. The present ont England and Wales, solici- proposal for the APT on the main line from London to Glasgow under 25hV. operation tors will always instruct fully experienced (but not in-experienced) barristers when the case requires. could arguably be one of the least appropriate applications of the APT's tilt-body technology. Rather, it would probably be more appropriate to use the Mk 3 coach (as used in the HST) or its successor either in fixed formation trains with special semi-permanently fixed power units, or use the Mk 3 in train load sets with conven-tional locomotives capable of

operating at sustained speeds of

120 mpb. The configuration of

trains (diesel-

# Health spending

From Mr. Michael Ryan.

Sir,-Mr. T. G. Arthur (Mar. 10) appears to suspect that the DHSS figures for expenditure on the NHS at constant prices the main London-Glasgow line could probably accept the use of such a conventional but very fast train at such speeds without were calculated on some "funny modification or passenger dismoney" basis unique to the Decomfort problems. partment. Perbaps be is less Tilt-body of the Central suspicious. powered) would probably be Statistical Office and would care, more beneficial on cross-country to consult the most recent (1978) routes of a more circuitous National Income and Expendi- nature, where substantial ture blue book. Table 9.3 in that accelerations using conventional publication gives NHS expendi-ture at 1975 prices for the years configuration of the line. What

Jarrow in the 1930s. That this cent in respect of current ex- BR network are being linked Hamsgorthy Engineering Ltd., should be threatened in a so- penditure and 35 per cent in (wrongly) with the APT, the Flects Corner, Poole, Dorset.

econdary routes, would seem to be a more effective and realistic option.

Philip N. Martimer. 12, Seymour Road, Upper Shirley, Southompton:

# Women doctors

From the Chairman, Stonding Committee of Members, Royal College of Physicians

Sir .--- Your report on "Women Doctors Campaign' for Career Prospects" (March 5) refers to the campaign launched by the Medical Womens Federation to improve prospects for doctors who. after having children, fre-quently find difficulty in rejoin-ing the medical profession.

May I point out that the Royal College of Physicians is well aware of this need and the Standing Committee of Memhers of the College produced an information hooklet on "part-time postgraduate training in medicine." This booklet is freely available from the College.

We very much hope that the Department of Health will be more flexible so that the country will get the benefit of the expertise of those who wish to continne their careers, although they may not necessarily be full-time.

Brian J. Kirhy. Royal College of Physicians, 11, St. Andrews Place, Regents Park, London, NW1

Scrap

# prices

From the Chairman, Homworthy Engineering, Ltd.

Sir, - I was amazed to read under the heading "Japan'a Shipbuilding Share falls" (April 4) the statement that a higher level of scrapping is re-garded as unlikely because of a shortage of breaking facilities and lack of demand for scrap,

I would point out that scrap prices in Europe and America are soaring-from the mid-f40s to mid-E70s per ton — and that the demand for scrap in the Far East is one of the causes of this problem. Foundries, and many mills, in this country have a high demand for scrap and I should have thought it not beyond the imagination of a shipbuilding industry to convert quickly to ship-breaking, knowing there is a large market looking for lower-priced scrap in this country and Europe. D. A. Smith.

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a good farm here but



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Companies and Markets

# **UK COMPANY NEWS**

## Westminster Property loss: Yule Catto set Allen Harvey chairman for good year accounts qualified on dividend prospects prospective owner-occupier. accounts are sent to share-

the total to a maximum merthe total to a maximum permitted 21.44p;

The chairman stresses in his anusl statement that events in the money market are now moving so fast it is extremely difficult to give shareholders an uptodate and relevant report.

The halance-sheet st February **VV ALSUA** 5 showed total assets down from FURTHER \* PROGRESS was £256m to £232m, a normal reduc-tion in the face of rising interest rates. The policy of allowing year-end liquidity to huild up without reinvesting is also indicated by the exceptionally large figure of money at call sod short notice. This position is a very defensive one which was slmost completely reversed within a short time of February 5, notes the chairman.

However, the group's boldings of dollsr certificates of deposit has increased largely due to a trading arrangement with Ehrlich-Bober and Co. of New York. A full London partnership has now been formed providing Allen Harvey with a contact in the North American money markets and its partners with a win-down on the London and Euro-

dollar markets. Oo the bome froot the group has formalised its gilt-edged dealing and advisory services and several new subsidiaries have (£243.000). Form engineering, ctc. been formed noder Allen Harvey and R is Investment Manage-Phermaceutical

the chalrman states that in a deterioration situation deterioratiog situation the mooey market departments managed to trade profitably. But after overbeads and tax the group found it desirable to make transfer from inner reserves produce a pro5t of £585,553

which compared with f1.06m, Meetlog: 45, Cornbill, EC, April 30 st 12.30 pm.

same Fran bave challenged the unrectors have declared a practice in practice in assertion of Mr. Henry Hoddiog, second inferim of 1p net per 25p excressed their optic the chalrman, that the reconstruction their holdings in vened EGM on Wednesday will so far to 1.576p. In 1977 a total shares, of 2.419p was paid. The direction their holdings in tors will consider recommendation on the fiscal when the 15,917,985 shares.

IF DIVIDEND legislation con- urge shareholders to attend the tinues, Mr. M. E. Allsop, chair recoovened meeting. They ask man of Allen Harvey and Ross, whether the directors acted the London discount house, tells correctly and in good faith in holders. Although progress on the accounts is satisfactory il will not he possible to despatch them for another two months, at least, the directors say.

Growth at Brooks Watson

achieved by Brooks Watson Group in the second half of 1978 with the pre-tax profits advancing hy 44 per cent to £1.15m. This takes the total for the year up to a record f2m-an increase of almost 33 per cent on 1977.

FIRE DELAYS AT

ABEL MORRALL

tn the first quarter of 1979 trading has been satisfactory and the deficit was cui to £158,000 in the following year and the group the directors anticipate that the group will show further growth returned to profits in .1977. in the current year.

The directors explain that the principal "factors" heblad the Earnings per 20p share for 1978 are stated to be up from 6p to 7.42p and the dividend total is profit incresse were considerahiy Improved performances from the stepped up from 2.08p to 2.6p, rolling mili and Britisb Castors which continues the progress with a final of 1.95p. Sales of this Duhlin-hased made hy these two divisions over group in 1978 rose from 572.16m to £89.55m. Tax requires £725.000 (£473.000), minoritles £3,009 (£5,000) and last year there were

the last few years. They report that order hooks and immediate trading outlook for mosl of the group's main extraordinary debits of £429,000. The oniance retained is £827,000 trading activities sre reasonably

**Evered** up

extra 0.6p

£0.2m: pays

encouracing. The dividend total is increased 1977 2000 927 753 271 154 from 0.40 to 1.0p, with s final of 0 65p. This represents partial restoration of previons culs. The group manufactures non-ferrous strip, tuhe and extrusions, industrial and con-

#### sumer products and plastics materials, castors and wbeels, locks and security systems. DRAKE & SCULL Payment of final dividend and

publication of the 1978 report and accounts of Abel, Morrall CONVERSION have been delayed hecause of a fire at the company's Clive Works in January which The directors of Drake and fire at the company's Clive Scull Antithes annunce that Works in January which institutional shareholders of destroyed some accounting 500.000 of the 8.45 ner cent "E"

SAINT PIRAN The dissident sbareholders at Saint Piran bave challenged the site of Mr. Henry Hoddiog, have bringing the distribution of Mr. Henry Hoddiog, the distribution of Mr. Henry Hoddiog, have bringing the distribution of Mr. Henry Hoddiog, have bringing the distribution their holdings Into: have bringing the distribution the issued ordinary capital is

184p last Friday, gives them a financisi interest in the success of their legal action against three directors of the company and various others. They are claiming that the sale of shares of the company which were beld in trust for the benefit of the empany itself was in breach of the directors' duty.

The shares were sold at a time when the shares were much lower than they are now. The huyers of the shares comprising

The auditors of Westminster Property Group have qualified BOARD MEETINGS heavily tha report and accounts for the year to September 30. 1978, which also show a collapse into losses of £26,539 pre-tax compared with profits of £67,000

the previous year. . Morrison Stoneham and Co. the auditors, point out that the accounts make no provision for the "deficiencies between cost of investments in subsidiary com-panies and not book value" of those companies amounting to £519,000 in the accounts of the parent

They also decline to confirm that the Lishon development ought to be included in the accounts at £1.7m cost, including capitalised interest.

Finally, they note that the company's future depends on continuing support from its hankers both in the UK and Portugal.

These comments accompany figures which show that interest charges were reduced to £431,461 (of which £244,633 is attributable 10 Portugal) from £593,947 (£211,746 in Portugal), and there was an exceptional credit of f18,244 arising from Portugal. Mr. R. A. Edwards, the chairman, explains that the interest charges have fallen as a result of property sales which have permitted UK overdrafts to be

reduced, although group over-drafts have remained virtusily stagnant at £1.5m and cash and hank balances have declined from £40,000 to £7,000.

Profits before interest are made

The following companies have notified dates al board meetings to the Stock Exchange. Such meetings are usually held for the surposes al considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions aboven below are based meinly on less year's timetable. TODAY TODAY

TODAY TODAY Interime:--Bryani Haldings, Glaxo. Highland Olatiliarias. Finalsi-Aurora Holdings, A. and C. Black, Blackwood Hodge, Darse Estates, Darsda Holdings, Edinburgh lovastimant Trust. Greanbank Industrial, Hambro Lifa Assurance. Huntleigh, London Pavillon. Manar Netional Group Mators, Richards (Leicaster), Rownirse Mack-Intosh, Yorkahira Fine. Woollan Spinnere, Wilmal Breeden. FUTURE DATES Interime:--

rward Technology

alker and Homer (5.) tenawn Inc.

Vickars Viking Resources Trust up of income from investment

property of £32,000 (£65,000): property sales of £60,000 (£403,000) and income from the hotel of £3,200. In addition there has been a transfer from reserves of £254,000, virtually all amounting to the interest on the Portuguese development. This compares with an equivalent for the previouns year of £148,844. The "superstructure" of the

#### **BIDS AND DEALS**

**Option exercised on RKT shares** 

Mr. Henry Schuldenfrei and included certain directors and Mr. Bernard Garhacz have exerassociated companies. One of cised their option to acquire these. London Trust, bas acquired 527,071 shares in Robert Kitchco a further 55,000 shares iocreasing

Taylor, the fast-recovering textile its stake to 505,000 shares (14.54 group, from Mr. W. S. Hersham. per cent). Its subsidiary, Ahing-The stake, worth just under don Trust, holds another 262,500 film at RKTs market price of shares.

DOWTY BUYS In a sbare exchange and cash deal worth £250,000 Dowty Group has acquired Ripper Systems. The share exchange element involves 75,000 sbares valued at

ings) for £196,076 satisfied as to £147,732 casb and 30,304 shares. Safestore stores business docu-meots and magnetic tapes. £230,000, Ripper will become part of Ultra Electronic Communica-tions. For the year ended April 30. 1978, the turnover and profit hefore tax nf Ripper were £294,000 and £30,000 respectively. The offer from John Bright for Asb Spinning has become fully unconditional. Acceptances have heen received in respect of 93.12

EPC/OLYMPIA N. M. Rothschild and Sons

per cenl of the new ordinary and of the deferred. The offer remains open and the balance purchased £50,000 63, per cent English Property Corporation convertible loan stock 1998-2003

at £140.40 on behalf of a com-pany controlled by members of the family which also controls Olympia and York. BRAID GROUP

In the meantime, as already known, Sir Alfred McAlpine has agreed to convert its £0.3m loan on the foreign schemes into shares.

This is part of the reconstruction package which will also involve a reverse takeover by Eaglemoor Limited, a private

Westminster has virtually run out of UK properties it can sell and urgently needs income to cover its outgoings. Eaglemoor bas an income producing property, and a 75,000 sq ft fac-tory let on a rent of £168,400 a year, producing £120,000 net.

The property is let to Graylaw Properties which is a major shareholder in Eaglemoor. Mr. Victor Gray will join the West-minster Board if the Eaglemoor takeover succaeds. Graylaw has guaranteed that

Eaglemoor's net assets will amount to not less than fl.8m (including £200,000 of casb) and has siso warranted to buy hack a development site owned by Eaglemoor for £575,000 it development is prevented by lack of funds.

The offer documents which describe the transactions incinde s pro forma balance sheet show-ing net tangible assets of 17p Portuguese building is expected against the present 14p and to be compieted by the end of positiva cash flow. For il next month at which stage the reason the Board will vote company bopes to sell it on to a 19 per cent behind the deal. against the present 14p and a positiva cash flow. For this reason the Board will vote its

the capital of Stanton Gear and

Engineering, whose principsi

Rembrandt Machine Tools and Stanton Machine Tools, both localed in Watford. Tha consideration is £300,000.

HAY'S WHARF

BRIGHT/ASH

UNCONDITIONAL

will be acquired compulsorily."

which owns both the Southlands

Hotel, Scarborough and the Unicorn Hotel, Ripon,

After taking account of heavy horrowings, the bid values the net assets of the company at £154,000.

The chairman and directors

are recommending acceptance of 265p for each £1 ordinary share

and for the fl preference "A" shares and preference "B"

shares at par. They point out that although a rights issue raised £31,000

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**BUYS SAFESTORE** 

Proprietors of Hay's Wharf has acquired Salestore (Hold-

companies

operating

In his annual review, Lord Catto, chairman of Yule Catto and Co., tells members that be has no reason to believe that the current year's results will be any less satisfactory than those for

As raported on March 16 against expectations, taxable profits for the year ended October 28, 1978 were 13 per company, into Westminster.

cent higher at £2.8m (£2.49m) on turnover of £12.74m (£10.14m). The final dividend is 1.54p. compared with a total previously of 1.387p, in addition to the 11p capital repayment made last October. The chairman says that

effect of increased world prices is still unclear but According to the group's agents, Weatherall Green and Smith, the rent is higher than current market rental values. expects this to strengthen the group's plantations' commodities prices, and the resulting profits from Malaysia. Ha adds, however, that the effect on UK economic activity and on the price of plastic materials could limit the growth

in the markets which William Cox serves. The chairman is bopeful that the good business relationship with the Johore State Economic Development Corporation, through Yule Catto Plantstions, will in due course provide profitable outlets for

expansion of the group's Malaysian operations. Profits from rubber and oil paims rose from £1.97m to £2.48m but results of the plastics division were unsatisfactory; profits were down from £438,000 to £159,000. The associate in Eire in this division, however, made an excellent contribution

# The marina's side of the business improved profits from £124,000 to £164,000.

Financial Times Monday April 9 1979

Meeting, New Bond Street House, W, May 3 at noon.

# Viking Oil seeks North Sea cash

A rights issue to raise £280,080. A rights issue to raise f280.000 net is announced by Viking OI in order to fund a seismic pro-gramme in the North Sea. A total of 300,000 new ordinary, shares of FI are being issued at par on the basis of one for-eaven oll

viking shares are not lister on the Stock Exchange and the the Stock Exchange and the directors say they do not intend to apply for a listing at the present time. But the Stock Exchange has granted permission for dealings in the ordinary shares under Rule 163 (3) with shares under Rule 163 (3) with effect from today—it is expected that dealings in the new shares will begin on May 1. The exploration group of which Viking Oil is a membra-is planning to evaluate mere closely the prospects in the northern part of its North-Sea hiock 16/12. Directly to the north, in block 16/7, the Marathon group is planning to develop its off find the South Brae Field, and

the South Brae Field, and Viking's group, led by Placid Off, is anrious to test whether the Brae structure extends into in

# High level of activity continues at Kleinwort THE HIGH level of activity at Kleinwort, Benson, Lonsdale,

concern.

The chairman says that de the current low level of inter-national trade and intense com-petition in world markets, the group's project side has a higher volume of potential export wedit husiness under discussion. (high ever before.

During the year the division's capability in the specialised field of oil and mining finance. Was strengthened; the opportunities in this field are considered promising, he states.

He adds that the directors believe, looking further to the future, that their policy of steadily broadening the acope of activities and increasing overseas operations, will anable Kleinwort to maintain and gradnally improve its position in what he says are highly competitive Sharps Pirley, in the bullion business, had an excellent year Mr. Henderson says, with profits well in excess of 1977, Also the markets. As reported on March 14 a second half hoost left the group with record (azable, profits of 59.08m (57.48m) for 1978 and the dividend is stepped up to 4.60089p (4.13762p) net. per share with a 2.80089p final.

two manufacturiog subsidiaries, J. S. Knight and Son, and Edward Day and Baker, had a good year wilb record results. Meeting, 20, Fenchurch Street, E.C., May 1 at noon.

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share with a 2.800390 mail Mr., Hendersoo, says the corporate mance division had a good year despite the reduced ievel of activity in the major world capital markets. The amount of bond busicess transacted for investment clients The following securities have been added to the Share Inforin the primary and secondary mation Service appea Financial Times :--Abercom Investments (Section: Overseas - Johannesburg - Industrials). Amber Industrial Holdings (Section: Industrials). Cropper (James) (Section:

**Kleinwort Benson** 

THANKS to much better per-formances by the rolling mill and British Castors, Evered and Co. Holdings reports group pro-fits sharply ahead from £121,746 to £319,360 in 1978. This result, which accords with the directors' interim fore-cast of a substantial increase, confirms the turnround in the group's fortunes achieved in the last three years. In the years 1974 and 1975 the group had tutted up losses of £864.000 but

# "1978 Profit after tax £9,077,000 -an increase of 21%."

A summary of the Statement by Mr. Robert Henderson, Chairman of the parent company, KLEINWORT, BENSON, LONSDALE LIMITED, in the 1978 Report and Accounts.

Profit after tax was £9,077,000 compared with £7,479,000 for 1977, an increase of 21 %. The total dividend of 4.60089p per share compares with 4.15762p last year. The results, to which all our principal activities contributed, are the best we have ever produced.

#### INTERNATIONAL BANKING

Domestic and international banking operations continue to show healthy growth. Loan business has continued to expand, despite far from strong demand and severe competition. We have been increasingly active in the syndication of both sterling and foreign currency loans, and have raised well over £100m for Local Authorities during the past year. Our leasing husiness is highly satisfactory and we are helping a wide range of British exporters to provide competitive financing for their exports to some of the more difficult areas of the world.

#### **ACTIVITIES OVERSEAS**

In addition to our branch opened in Hong Kong in March 1978, Kleinwort Benson (Hong Kong) has been offering a comprehensive merchant banking service to customers in Asia since June of this year. The first six months of operations, after full provision for start-up costs, show a significant profit. Good results from our subsidiaries in Belgium, Guernsey, Jersey and Switzerland also reflect our international capability.

#### CORPORATE FINANCE

an salar -----

Despite reduced activity in the major world capital markets, gross income was not far short of the record level attained in 1977. In the domestic market merger activity remained at a high level.

#### INVESTMENT

Funds under management further increased to reach around £1,000m by the year end, and investment performance has continued to be of a high standard.

#### PROJECTS

Despite the current low level of international trade and the intense competition faced by British exporters in world markets, the Project Division has a higher volume of export business under discussion than ever before.

#### BULLION

Sharps Pixley, which is one of the leading names in this field throughout the world, had an excellent year, as did its subsidiaries; profits were well in excess of 1977. The company joined the London Metal Exchange in October, and is now trading on the Floor.

# PROSPECTS

Looking ahead, we are faced with the all too familiar background of political and economic uncertainty. In such conditions it is difficult to predict the level of future earnings. Wc can, however, report that the high level of activity which was a feature of the latter months of 1978 has continued into the current year. We have therefore made a good start. We moreover believe, looking further into the future, that our policy of steadily broadening the scope of our activities and increasing our overseas operations will enable us to maintain and gradually to improve our position in what are highly competitive markets.

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# 20 Fenchurch Street, London EC3P 3DB

BAHRAIN · BRUSSELS · CHICAGO · GENEVA · GUERNSEY - HAMBURG - HONG KONG ISLE OF MAN . JERSEY . NEW YORK . PARIS . RIO DE JANEIRO . SINGAPORE . SYDNEY . TOKYO BIRMINGHAM . EDINBURGH

This purchase made on April 5 increases the aggregate huldings of the beneficial purchaser to 2-08m ordinary shares, 53,000 preference shares and 1637,000 of 61 per cent convertible loan stock of EPC.

## £2.5m hotel acquisitions Vaux Breweries is to huy the capital of Southlands Hotet Lid,

Hillop Motor Hotel Company, whose main asset is the Hillop Motor Hotel at Carlisle, for E1.54m. Payment will be in the form of 964.748 ordinary shares and arrangements have been made for Vaux's brokers to place these shares. in a £825,000 cash deal Prince

of Wales Hotels has acquired Hillcopse which, through its subsidlary, owns the lease of the Coirn Hntel, Harrogale, and a 13.5 per cent interest in Old Swan Hotel (Harrogate) a listed company.

company. The price is being based nn the net asset value of Hillenpse at March 31, 1979. At April 28, tast year the brok value of the net assets of Hilleopse and its subsidiary, including deferred tax, amounted to £283,085. For additional capital in July 1978 continued and heavy expendi-lure on the modernisation of both hotels has resulted in substantial interest payments which in ture have seriously depleted profits. 1977-75 taxable profit of its tradiog subsidiary was about

It8,500 Galleon World Travel Associathen, through its wholly owned subsidiary commany, Garopellff, has made an offer for the shore

Rates paid for W/E 8.4.79 Call 7

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near London Stock in the Banking, Insur-IMCO MONEY FUNDS Salura Investment Management Co. Etd. 66 CANNON STREET LCAN 6AE telephone and T es and orders taken and Telex, received free, stration and tax advice. Telephone: 01-236 1425

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This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange

# SINGLO HOLDINGS LIMITED Issue of £759,441 15% Convertible

Unsecured Loan Stock 1988/1991

The Council of The Stock Exchange has admitted the above stock to the Official List. Particulars of the Stock are available in the statistical servicea of Extel Statistical Services Limited and copies of such particulars may be obtained during normal business hours on any weekday (Saturdays and public holidays excepted) up to and including 271b April, 1979, from;---

BARCLAYS MERCHANT BANK LIMITED Dashwood House 69 Old Broad Street London EC2P 2EE

Braid Group has paid £850,000 cash for Crapers of Burton, the markets continue the overail level of profit was Ford car main dealer and truck satisfactory. Funds under management in dealer for Burton-on-Trent and surrounding districts.

investment

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hoiding

which was a feature of the latter

months of 1975, has continued

into the current year giving the group a good start to 1979, ssys Mr. R. A Henderson, the chairman, in bis annual review.

Profit before tax of Craners for 1978 was £191,679. The balance-sheet at that date shows AURORA DEAL Aurora Holdiogs bas acquired net tangible assets of £427,576 hefore provision for deferred tax of £217,878.

the Investment division increased further and reached around fibn further and reached around fibn by December 31. The husiness of this division was transferred on April 1, 1978, to a saw and woolly-owned subsidiary, Klein-wort Benson Investment Manage-ment, the first nine months operations of whieb, "have been encouraging."

Paper). DiGiorgio Corporation (Section : Overseas-New York). Gresham Industries (Section:

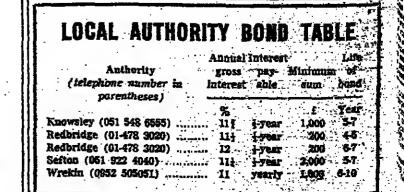
South Africans). **Bank of New South Wales** 

Bank of New South Wales announces that with effect from Saturday, 7th April, 1979 its base rate for lending will be reduced from 13% to 12% per annum.

> Bank of New South Wales, 29 Threadneedle Street. London, EC2R 8BA.

Incorporated in Australia with limited liability.

FINANCE FOR INDUSTRY TERM DEPOSITS Deposits of £1.000-£50,000 accepted for fixed terms of 310 z years. Interest paid gross, half-yearly, Rates for deposits received not later than 12.4.79. 



# Financial Times Monday April 9 1979 INTIL. COMPANIES and FINANCE PENDING DIVIDENDS RECENT ISSUES

**Diverse** aid

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# Thomson bids more for larger stake in The Bay

#### BY IM RUSK IN TORONTO

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The C\$640.8m fild is worth almost C\$158m more than Thomson's earlier bid of C\$35

FIERCE bidding war for the giant Toronto-based food on a per-share basis, Weston's A FIERCE bidding war for the giant Toronto-based food Hudson's Bay Company heated merchandising and resource up again yesterday when the the sagin yesterday with a offer of CS40 a share the sagin yesterday with a offer of CS40 a share the sagin yesterday with a sagin the sagin yesterday with a sagen the the sagin yesterday with the sagin yesterday with a sagen the sagin yesterday with a sagen the sagin yesterday with a sagin

The Bay's directors were

and heirs of the late Lord head off a possible stampede of expires the thomson bit Thomson of Fleet, Shortly after shareholders to Thomson and released from escrow and the rejection of the original - Although the Weston bid is tendered to Thomson if the Thomson bid, George Weston, higher than the Thomson bid shareholder so desire.

forward for Manufrance By Terry Dodsworth in Paris

**EUNDS** of at least FFr 30m (\$7m), and probably twice as much, could be made available to Manufrance, the nearbankrupt French retailing and manufacturing group, if the proposed new organisation to take over its affairs is established. fears that these shares will be tendered to the lower Thomson

In a statement on the group's difficulties, M. Joseph Sanguedolce, the Communist mayor of St. Ejienne, which owns 29 per cent of Manu-france, dismissed as "intoler-able" the judgment of the local commercial court which said that a new rescue plan for the company must be concluded by today. ML Sanguedpice said the

Currye ... Dickinson

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moves were now well advanced to raise the necessary money for the group from diverse sources. A total of FFr 30m would be coming in equal parts from an insurance group called MACIF, a printing company and the Government. In addition, o further FFr 12m could be expected from special aid funds, while the municipality itself was willing to guaran-tee loans of another FFr 30m Whether Manufrance can which another radical manage-ment change--it has had six managing directors in two years--remains in question.

more important con the next few weeks shown are those of (orthcoming Board published. 11 show declared will not m	are given in last year's a meetings (ind id be emphi eccessarly be a	lers the dates when d statements may be a the following table announcements, excep licated thus") bave b asised that the divid at the amounts or ra- ouncement last year."	expecte The d t where een offic lends to tes per
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#### **BASE LENDING RATES**

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# Manufacturers Hanover in Iran decision

By John Wyles in New York MANUF ACTURERS Benover Trust has been ordered by a New York appeals court to give two U.S. telecommunications companies 10 days' notice before honouring letters of credit to Iranian banks.

Iranian banks. The ruling on Friday by the Appellate Division of the New York State Supreme Court was a partial victory for subsidiaries of American Telephone and Telegraph and General Tele-phone and Electronics, Although they have so far failed to win an 'injunction preventing Manu-facturers Hanover from hobour.

Inwort facturers Hanover from honouring letters of credit, they have semred the time to launch adother legal bid to block pay-Par skip-1 2 2 3

Mother legal bid to more pay-ment permanently. The case is being closely watched by the U.S. banking community because it is seen as possibly striking at the future of the letter of credit mechanism.

Hong Kong interest rates raised again

#### BY ANTHONY ROWLEY IN HONG KONG

rate increases— the eighth in the languishing Hong Kong the space of a year—was dollar which bas shown marked initiated this weekend by the weakness in foreign exchange Exchange Banks Association markets in recent weeks, here, and will take effect In February the total bank

iomorrow. Immediately after the EBA decided to raise deposit rates further, the Hongkong and Shanghai Banking Corporation, the Chartered Bank and the Chase Manhattan. Bank amounced a half point fise in with effect from tomorrow. Deposit rates are being raised

so that the yield on savings, seven day call and three month deposits will rise to 64 per cent. on six-month deposits to 74 per cent and on one-year deposits at

A FURTHER round of interest as a further move to support

In February, the total bank losns and advances outstand-ing was, at HK\$ 56.6bn (US\$ 11.3bn), some 47 per cent up on the level a year earlier. and 2.7 per cent up on the January level.

The level of loan demand, prime rate, to 111 per cent, also buoyed up by demand from the construction sector as well as for private consumption, is a cause of continuing concern for the anthorities bere, and last week new statutory instru-ments were typled giving the Government power to impose commercial banks to St per cent. stricter liquidity requirements The latest rise in the best on banks and quasi-banks or lending, or prime, rate is seen deposit-taking companies. -

# Setback for Migro Geneva

By Brij Khindaria in Geneva

THE LARGEST supermarket and foodstore chain in Switzerland's Freuch-speaking areas, Migro Geneva S.A., reported a 43 per cent fall in its gross profit during the 1978 financial year, mainly because of the Swiss franc's revaluation,

The gross profits stood at SwFr 654,700, while the total turnover was SwFr 548.7m. (\$320.8m)-about 0.25 per cent below the 1977 figure. Cash flow fell by 35 per centto SwFr 6.89m.

# **CURRENCIES, MONEY and GOLD** GOLD Interest rate problems Apr. 0

#### BY COLIN MILLHAM

Talk of changes in central bank back discount and Lombard rates days at the beginning of last discount rates has been heard in two or three hast been heard of last month; and the week or three heard of the end of last month; and the week or the past week or so, but as belgian frame in; the Enropean member of the EMS shoe the weekest mum fending Rate was latended is stem. The flow of three flow of the EMS shoe the system began on March 13.

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All these securities having been sold, this announcement appears as a matter of record only. Nordiska Investeringsbanken

money into Britain, but else where any change will be for Another country troubled with a relatively weak currency is Japan. Trading in the Tokyo very-different reasons: . . . -Belgium's interest rates were unchanged last week, but any rise in the discount or Lombard rates in the pear future will foreign exchange market has been made even more nervous by speculation about a possible rise in the Bank of Japan dis-count rate from 31 per cent. cause little surprise, following the rise in the German Bundeswhere it has been since March 10.2.2. last year. CURRENCY RATES Last month was particularly. bad for the yen, and it received Special Drawing Rights very beavy support from the Japanese authorities. This was reflected in the record fall of \$3.874bn to \$28.813bn in the Unit 0,614066 1,28088 1,47 199 country's foreign currency reserves in March. This was more 38,2439 0.60595 0.54567 anch Fr\_ since last June. 1078,18 276,517 6,56835

than treble the previous record monthly drop, and look Japan's reserves to their lowest level 91.7216

April may turn out to be a similar month. Bank of Jspan support for the yen involved sales of over \$1.5bu in just 1wo

oo imported energy, and the recent problems over oil price and supply will hit Japan more than most other oil importers. There is also a suggestion of increased inflationary problems, with reports that consumer prices rose by almost 1 per cent in the Tokyo area during March.

The

#### OTHER MARKETS

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Brazil Cruzeiro	47.63	18,63	92.82		Donmark	10.90-11.00
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Greek Brachma	75.748-7	7.582	56.30	-37.15	Germany	5.87-3.07
Hong Kong Dollar	10.4650	10.4830	5.0160	-5.0200	Italy	1 725-1 765
Iran Rial	150.85-1			-75	Japan	447.457
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Malaysia Dollar			2.2190	-2.2210	Portugal	05-101
	1.9805-1		0.9485	0.9515	Spain	140.5-143.0
Saudi Anab. Riyal	0.99-7				Switzerland	5.50-3.60
Singapore Oollar.	4.5900-4	6025	2.2000	-2.2010	United States	2,0825-9.092
Sth. African Rand	1.7650-1	7750	0.8455	-0.8500	Yugouzvia	5012-43
	Decis					

THE POUND SPOT AND FORWARD

#### THE DOLLAR SPOT AND FORWARD

		JLLAN OF	OI ARD	FVAN	AND		THE PO	UND SP		FUR	
12.11	April 6 Spread	Close	One month		anthe p.0		Day's apread	Ciose	One month	% p.s.	
	UKt c 2.0850-2.0 Belandt 2.0300-2.0	75 2.0300-2.0350	0.65-0.35c pm	1.15 0.40 2.95 1.18 m .0.62 0.12	-0.85 pm 1.5	7 Canada	2.0660-2.0755 2.3800-2.3900 4.19-4.224	2.0740-2.0750 2.3885-2.3895 4.21-4.22	0.25-0.18e pm 0.20-0.19c pm 2-1c pm		0.3
	Ganada1 86.55-86.9 Nathind. 2.0335-2.0 Balgium 29.85-29.9	195 2.0380-2.0395 23.85-29.87	0.051-0.03 zc p 0.58-0.48c pm 8-7-7c pm	3.12 1.65	-1.65 pm 3.1	4 Belgium h Oshmark	61.50-61.95 10.81-10.85 1.0115-1.0170	61.80-81.90 10.843-10.854 1.0152-1.0162	25-15c pm	3.88	50-1 21-1
APTIL I	Benmerk 5.2430-5.25 W. Ger. 1.0880-1.85 Portugel 48.45-48.55	40 1.8930-1.8940	0.25ore pm-0.2 0.84-0.74pm pt 35-50c dis	n 5.01 2,50 -10.49 100	-1.65 dis - 10.9	7 W. Ger. 0 Portugel	3.89-3.92 <sup>1</sup> , 99.80-100.60 140.70-147.40	3.912-3.924 100.20-100.50 141-25-141.35	23-13-pt pm 50-110c dis 20c pm-30c dis	-0.57	64-140-
- 10 C	Sparn .68.30-68.42 Paly 841.80-842 Monway 5.1250-5.12	50 841.90-842.49	20-30c dis 1.00-1.50 liro d .1.10-0.60 ora p	m 1.99 2.25	-3.50dis -1.4 -1.75 pm 1.5	6 Norway	1,733-1,745 10.57-10.82 8,93-8,98	1.7432-1.7443 10.602-10.612 0.97-8.96	'alire pm-1's di	-0.34 2.11 4.68	7-
्य तेलव	Reances 4.3280-4.34 Sweden 4.3830-4.38 Japan 215.00-215	60 4.3830-4.3840 30 215.10-215.30	1.15-1.05c pm 0.20-0.40 ore p 1.05-0.95y pm		-1.20 pm 1.1	9 Sweden 1 Jopan	0.04-5.08 441-449 28.52-28.77	0.06%-8.07% 446% 446% 446% 447% 28,68-28.73	23-3 ore pm 2.75-2.45y pm 20-10gro pm	1.65	5-m 6.95
	Austrie 13.84, 13.1 Switz 1.7705-1.71 1 UK, Ireland and and discounts apply	55 1.7145-1.7155		9,24 4.15 rency. Forw	4.05 pm 0.5 ard premiuma	ið Switz. 5 Be	3.513-3.56 gium rete is i	3.543-3.553 or convertible of dollar 0.65-	31-23c pm francs. Finen	10.56 I ciel Irenc	97,-1 62,8
	FYCHANGE COOSS DATES										
ş <b>E M 3</b> ***	Apr. 0	PoundSterling	U.S. Dollar	Osutschem?	Japan'se Ye	FrenchFrei	nc. Gwiss Fran	Dutch Guild'	' italian Lira X	lanada Do	llas
STORE -	Round Sterling	1. 0.479	2.087	5.943 1.890	448.0 214.7	9.023	5.568 1.710	4.e45 2.035	1752. 230.6	2.400 1.150	
NAA A	Beutschemark	0.354 0.232	0.529 4.657	1 a.500	113.0 1000-	2.289 \$0:14	0.905 7.968	1.077 9.475	444.5 3911.	0.500 6.357	

3.954 1. 1942. 401.2 wiss Franc 18 1.108 2.513 4.570 496.5 125.0 10. 4.705 2.660 412.8 Dutch Guilder Italian Lira 1.000 0.236 0.492 0.229 106.5 255.7 2.125 0.840 0.565 1.370 1. 2.495 1.769 6.825 730.1 2817. 5.759 14.51 1.486 1. 5.850 0.869 1.645 186.7 790.3 Canadian Dollar Seigian Franc 100 0.417

LONDON MONEY RATES

•											
	Apr. 6	Sterilog Certificate of deposit	Interbank	Local Authority deposits	Local Anth. negotiable bonds	Finance House Deposits	Company	Discount Murket Geposit	Treasury	Eligipie Bank Bills &	Fine Trado Bille é
:15	Övernight 3 days notice. 7 d	11.5-11.5 1112-11.5 1125-11.5 11-1078 1075-1034 1034-1085	11+5-11-5 1115-1114 1115-1114 11-2115 1075-11	1114-1158 1159-1118 1138-1119 1138-1119 1138-1134 1138-1134 1078-11 11-1114	103g-103g 103g-11 103g-11	-12 12 117e	1158-1112 		114 11 3	212-22-22	<u>12</u> ta
59 <sup>50</sup>			nance hous dirse yoors	6# 20V0n d	lays notice	, others en	even days -11% per d	fixed. Sent; five	* Long-te years 114-	rm local 12 per cen	authprit It. ØBan

Local authority and finance, houses seven days' notice, others seven days' fixed. \* Long-term local authority figage rates nominelly three years 11%-11% per cent; lour years 11%-11% per cent; five years 11%-12 per cent. eBank retes in table are buying rates for prime paper. Buying rates for lour-month bank bills 10% rates 11% for cent; (cur-mth trade bills 12 per cent. Approximate selling rates for one-month Treasury bills 11% per cent; two-month 11%-11% per cent; three month w11% per cent. Approximate selling rates for one-month bank bills 11% per cent; two-month 11%-11% per cent; three-month 11%-11% per cent; three-month 11%-11% per cent; two-month 11%-11% per cent; two-month 11%-11% per cent; three-month 11%-11% per cent; and three-month 11% per cent; two-month 11% per cent; and three-month 11% per ce

ce Houses Babe Sates (published by the Finance Houses Ase Bank Deposit Rates for smell sums at seven days' ontice -9-92 per 13 par cant from Cent ury-aills: Average tender rates of

MONEY RATES

NEW YORK	••
Prime Rate	11.5-11.75
Fed Funds Treasury Bille (13-week)	10
Tresaury Gille (26-week)	9.43 9.27
GERMANY	
Discount Rate	
Ovomight Rate	5.40
One month	5.45
Three months	5.76
Six montas	0.70
FRANCE	
Oiscount Rate	9.5
.Overnight Rate	-5,5
One month	
Three months	
Six months	7.3125
JAPAN	- • U
Orscount Rela	3.5
Call (Unconditional)	4,6875
Bills Discoupt Rate	4 875

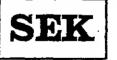
# (Nordic Investment Bank)

# SDR 20,000,000

9 per cent. Notes Due 1984

S. G. Warburg & Co. Ltd. **Banque Nationale de Paris** Banque de Paris et des Pays-Bas Dresdner Bank Aktiengesellschaft Daiwa Europe N.V. Genossenschaftliche Zentralbank AG **Kredietbank International Group** Vienna Manufacturers Hanover Limited Nordfinanz-Bank Zuerich/ Nordic Bank Limited **Orion Bank Limited** Scandinavian Bank Limited

All these securities having baen sold, this announcement appears as a matter of record only.



# **Aktiebolaget Svensk Exportkredit** (Swedish Export Credit Corporation)

U.S. \$20,000,000

9<sup>1</sup>/<sub>2</sub> per cent. Notes 1986

Svenska Handelsbanken

S. G. Warburg & Co. Ltd.

Citicorp International Bank Limited

NURAN VIElie

life

TANCE CORRE

# Mellon Bank, N.A.

(a Subsidiary of Mellon National Corporation)

Pittsburgh, Pennsylvania

#### Consolidated Statement of Condition

December 31, 1978

	December 31, 1978	Dacember 31, 1977
Assets		
Cash and Due from Banks	\$ 1,520,719,000	\$1,120,756,000
Interest-Bearing Deposits with Banks Federal Funds Sold and Securities	1,684,325,000	1,340,868,000
Purchased Under Agreements to Resell	284,190,000	185,200,000
Other tnvestment Securities:		105,701,000
U.S. Treesury and Agency Securities Obligations of States and Political	216,569,000	254,002.000
Subdivisions	607,260,000	568,586,000
Other	94,374,000	70,152,000
Total (Market Value \$869,197,000 end		
\$885,069,000)	918,203,000	892.740,000
Trading Account Securities	64,122,000	133,787,000
Loans, Net of Unearned Discount of \$102,219,000 and \$62,554,000	5,716,995,000	5,100,672,000
Less: Reserve for Possible Credit Losses on	(	(05 000 000)
	(81,437,000)	(65,900,000) 5,034,772,000
Totel Loans, Net Lease Finence Assets, Net of Reserve lor	5,835,558,000	5,034,772,000
Possible Credit Losses on Leases	120,188,000	104,431,000
Cuatomers' Acceptence Liebility	603,305,000	372,781,000
Premises and Equipment	65,837,000	85,515,000
Other Assets	262,344,000	208,361,000
Total Assets	\$11,329,801,000	\$9,565,922,000
Liablities		
Deposits in Domestic Offices:		
	\$ 2,779,098,000	\$2,563,385.000
Savinga Time:	1,458,397,000	1,377,188,000
Negotiable Certificates of Oepoart	1,887,824,000	1,787,931,000
Other	185,677,000	203,233,000
Deposits in Foreign Offices	2,177,577,060	1,750,488,000
Total Oeposits Federal Funds Purchased and Securities Sold	\$,483,573,000	7,682,185,000
Under Agreements to Repurchase Other Funds Borrowed	1,167,358,000	605,134,000 69,637,000
Acceptances Outstanding	128,329,000 603,305,000	372,782,000
Other Liabilities	207,119,000	174,077,000
Total Liabilities	10,619,684,000	8,903,815,000
		0,000,010,000
Capita)		
Capital Stock—\$5 Par Value Authorized—24,000,000 Shares		100 101 000
Issued and Outstanding 20,038,826	100,194,000	100.194,000
Surplus Undivided Profits	257,961,000	257,951,000 303,952,000
Total Capital	351,962,000 710,117,000	662,107,000
Total Liabilities and Capital		\$9,565,922,000
		49,000,922,000



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	ve Co	mmit	ler,	
duat	ries, i	лс.		

JOHN M. ARTHUR Chairman, Duquesna Light Company ROBINSON F. BARKER Retired Chairman and Chiel Executive Offic PPG Industries. Inc.

ROGER S, AHLERAN

Chairman of the Ex Allegheny Ludium I

ROBERT J. BUCKLEY Chairman and President Alleghany Ludhum Indus

DONALD C. SURNHAM Director-Officer. Westinghouse Electric Corpo

FLETCHER L. SYROM Chairman, Koppers Con

SAMUEL &. CASEY. JR. JOHN CORCORAN

d Chairman Attorney: Retired C. Consolidation Cost MICHAEL D. DINGMAN

Chairman and Presiden Wheelabrator-Frye Inc.

W. H. KROME GEDRGE man, Aluminum Company AMES H. HIGGINS

Chairman, Malion Nali and Metton Bank, N.A. CURTIS E. JONES

IOWARD M. LOVE

President and Chill National Steel Co. TERRY MCAFEE

Chairman and Chief Executive Office. Gulf Dil Corporation SEWARD PROSSER MELLON

at. Richard K. Me NATHAN W. PEARSON

Financial Advisor, Paul Matton Family

WILLIAM H. REA Chairman, Tyrona Hydraulics, Ins. WILLARD F. ROCKWELL, JR.

Chelman, Rockwell International Corporation JOHN T. RYAN. JR.

Chairman, Mine Salety Appliances Company RICHARO M. SCAIFE

Publisher, Tribune-Review WILLIAM P. SNYDER III

President, The Shenango Fumac. Company AMES W. WILCOCK

Manufacturing Commenter Of

York . London - Frankfurt . Tokyo - Hong Kon

# Call to cut industrial stake alarms German banks

#### BY GUY HAWTIN, Frankfurt Correspondent

THE WEST GERMAN banking	for the public. They run most	The second s	
industry bas been rocked on its	of the country'a large unit trusts	MAIN RANK HOLD	INGS IN WEST GERMANY'S
heels by one of the most sur-	and, on the industrial side, they		
prising economic statements to		350 LAR	GEST COMPANIES
emerge from the Federal	of its financial advice, together		BANK PARTICIPATION
Republic this year. Count Otto Lambsdorff, the Minister of	with the bulk of its credit.	COMPANY	SHAREHOLDING (per cent)
Economics, said that he			Deutsche Bank 28
favoured drastically reducing		Metailgeselischaft	Dresdner Bank over 25
the bankers' massive sbarebold-		Hochtief	Commerzbank over 25,
ing in industry.	in all, his text was basically		Deutsche Bank
The banks were not espe-	friendly. It was the speech of	Philipp Holzmann	Westdeutsche
cially surprised by the Mini-	critical support rather than an		
ster's support for a reduction	nut-and-out attack. In many		Landesbank over 25
of their industrial botdings.	ways be was laying out the ground for the debate which is	Deutsche Babcock	6HF Bank over 18%
They have been expecting it for some time. The shock was	to take place rather than com-		WestLB over 25
generated by the degree to	mitting the Government to any		Dresoner Bank
which Count Lambsdorff		Sachs	Commerzbank 25.65
believes those boldings should	For instance, he reaffirmed		
be reduced. He said that be	his support for the universal	Orenstein & Koppel	8HF Bank 25
favoured limiting a bank's long-	banking system. The universal banks—which have served the	Suedzucker	Brir Bank 25 * Deutsche Bank over 25 Deutsche Bank over 25
term holding in any non-bank-		DU8 Schultheiss	Dresulter Dallin
ing company to a maximum of 15 per cent of the equity.	of the Second Relch in the 1870s		Bayernhypo Bank over 25 il
Admittedly, he was far more	through reconstruction follow-	Diag	8HF Bank 3.56
generous than the Federal	ing defeat in two world wars-		Serliner Bank
Monopolies Commission which	must remain universal, he said,	Gergmann	Deutsche Bank ovar 25
has recommended a 5 per cent	Count Lambsdorff suggested	Elektrizitaetswerke	Bayerische Vereinsbank over 25
limit. But it is far below the	tax changes to enable the banks to divest themselves of their	Nixdorf	Deutsche Bank
25 per cent plus one share	holdings without suffering finan-	Nordsea	Dresdner Bank over 25
which is expected to be pro-	cial loss. Perhaps the key to	Heidelberger Zemont	Dresdner Bank over 25.0
posed in May by the officiat	his attitude to the banks was	Etemit	Altgemeine Bank
committee looking into the	contained in his support for	Wayss & Freyteg	Dresdner Bank about 38
long-term issues of banking	Deutsche Bank's divestment of 25.23 per cent of Daimler-Benz's	Karstadt	Commershank
The banks, themselves, tend	equity-the lion's share of the		Deutsche Bank over
to favour that solution if there	packet it bought from the Flick		
bas to he a reduction at all. It		Kauthof	Commerzbank over 1584
would mean that relatively few	Minister preised the chosen		Dresdner Bank over 1500
holdings would be affected. At	long-term boldings might be	Andreas-Noris-Zahn	Bayerische Vereinsbank over 15
the same time. "blocking minorities." give considerably	run down.	Hapag-Lloyd	Deutsche Bank - over X.b.
more influence in a company's	When Deutsche Bank bought		Dresdner Bank over 2015
affairs than do smaller stakes.	the Flick packet-to keep it	Note: The benks' perticipation in	the top 350 compenies is. In tect, very musifica ar, of participations in holding companies within a the holding companies is split with bibling an other banks.
They also yield certain lax	from falling into foreign hands	own the shares. Ownership o	t the holding companies is spin with this?
advantages. Count Lambsdorff-a member		interests. although these are ofte	in other benks
of the liberal Free Democratic	Official cyebrows were raised		
	and the head's game on under		
man-did not directly threaten	taking that it would divest itself	Its partners in this con	cern, decision makers will have fr
Government action. Legisla-	of just over 25 per cent of the	ASTER WITH 25 DET CENT.	are bear in mind that a change from ische big bank stakes in industry in
tion, it is understood, is ruled	sbares. It did so by creating a new	Landeshank and Robert B	osch, much more diversified share
out for this parliamentary session and it would be unusual	company, Mercedes-Automobil-	the Stuttgart-based automo	tive, boldings could lead to a pro-
to embark upon sncb a radical	Holding, to bold the stock and	industrial and bousebold el	ectri- found change in the way that.
course without a prolonged	launched it on the stock es-	cal equipment manufacture	r. industry is run. The banks in ,
period of debate.	change. Today, Mercedes-Anto-	This is divestment of	the the main, have a record of being a
West Germany's universal		the bank's effective control	eaves remarkably sympathetic sbarfan- ol of bolders, and private investoria
banking system differs radically	shareholders which together own 50 per cent while the re-	Daimler-Benz little diluted	If could well take differents
from the Anglo-Saxon concept of things. There is no enforced		that is what the Minister	has affitudes
separation of deposit and invest-		in mind, the banks really	bave Banks have usually been very
ment banking functions. The	The two major shareholders	very little to fear.	restrained in their dividender
banks are free to offer the wbolc	are Stella Automobil-Beteili-	Yet Count Lambsdorff	was demands and have almost.
range of banking services under	gungsgeschischaft and Stern		ronid always put a company's long at the news f
	Automobil - Beteiligungsgesell- schaft, Deutsche Bank, itself,	alternat eren a modium	Annual Rom of cost Annual source film
banking.			term for short-term profils.

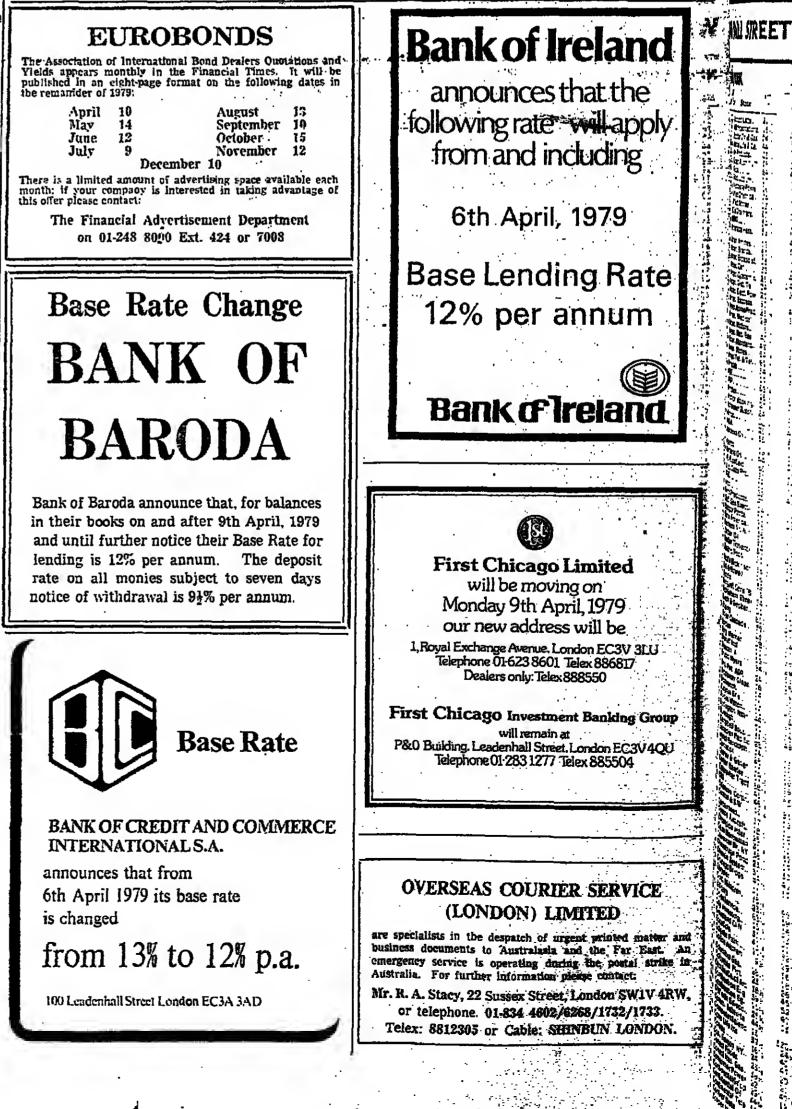
In

They manage their own mas- owns 50 per cent of Stella, with sive equity portfollos at the 25 per cent in the hands of same time as managing port. Commerzbank and the refolios nn the part of their cusmainder owned, by the Union omer. They trado beavily on Bank of Switzerland.

the stock exchange in their own Doutsche Bank, oddly enough, right, as well as acting as dealersalso owns 25 per cent of Stern.

unwinding of their vast share-The bank's massive boldings, holdiogs through the stock ex- have provided West German;; change.

with considera Their record industry considerable divestment as a gradual process. one, and the country bas much formulating policy. the to thank them for,



separati ment b banks a range of 00e 00 banking



# The way we value learning is the way we fly.

The ancient game of go, infinitely challenging in its endless possibilities and subtleties, continues to be more than a game in Japan. Go embodies centuries of our thought and culture. It demonstrates the importance we attach to expanding our minds and our enjoyment of both teaching and learning. Nowhere is the spirit of go more evident than in Japan Air Lines. In the way over 20,000 people in six continents, on the ground and in the air, have learned to run one of the world's great airlines with skill, precision and grace. We simply can't do things any other way. Which is probably why JAL fly more Europeans to Japan than any other airline.



JAPAN AIR LINES We never lorget how important you are.



# Financial Times Monday April 9 1979 **APPOINTMENTS**

# Tax relief deducted

# from life premiums BY OUR INSULANCE CORRESPONDENT

**INSURANCE** 

THE, FORTHCOMING General The 173 per cent rate of re-staction has meant that the life on gross premiums, with a injuncial year began without any celling of £1,500 or one-sixth of income, whichever is higher, what changes there will be to sems likely to hold good inless the 1979-80 tax pettern. Never-the basic rate of tax is substan-balless one change has already tially varied. Both insurers and been set in train—the switch the Inland Revenue are set up to allowance of life assurance tax to handle the 173 per cent, and hend. by. deduction from neither side would relish a per-proprium. This is in contrast to cantage which fluctuates from the time bonoured method of year to year. It is therefore pes-paying the premium in full, and sible that the percentage relief then obtaining reduction of tax allowed on life assurance prepaying the premium in full, and then obtaining reduction of tax drom the revenue in one tax

9

The starting point for this an. hangeover was the Finance Act O 1976, and the long period of Islay before implementation was, deliberately fixed to allow the tax suthorities and the manance industry to eliminate as 2fat: as possible the practical largeoday difficulties in the changeover. How successful the new rules are, and how efficient the detailed arrangements turn out to be, will be shown in the next few months rather than the popping weeks, when there are bound to be transitional prob-

defluction from prensum rather has relief is now given by deduction from prensum rather than reduction of tax, each bolder of a qualifying life policy whet is eligible for relief will now defluct 17 x 5 per cent from the 5**4**91 9<sub>67</sub> sparopriate premium, and remit the met amount, 82 x 5 per cent-to his finsurers, leaving them to recover the balance from the Inland Revenue. Eligibility depremium being paid for one's w-11 149

own life or thot of husband or

1.27 ~x:: . · . ...... 1117 BC

The second s

neither side would relish a per-tensage which finetuates from year to year. It is therefore pes-sible that the percentage relief ships in a number of financial allowed on life assurance pre-the Netherlands, Belgium, UK, the basic tax rate as time goes and the U.S. the state of the Stiderberg Meetings. The Strategic Studies in London and member of BL Components, Mr. Lambourn2 w25. 2ppointed the Bilderberg Meetings. Dr. director. pressiogs and tooling operations. Mr. Willred W. Baker hzs been and the U.S. the Strategic Studies in London and member of BL Components, Mr. Lambourn2 w25. 2ppointed the Bilderberg Meetings. operations. Mr. Willred W. Baker hzs been and the U.S.

The post it was possible for the holder of a death by acci-dent only policy to get tax re-lief on his premiums, for such a policy was and is term assur-

In the pest, it was possible for the holder of a death by acci-dent only policy to get tax re-lief on his premiums, for such a policy was and is term assurance and so "qualifying."

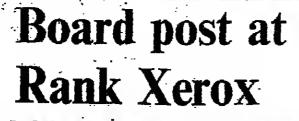
-The amount of reliable allow; able on such accidental death Able on such accidental desch director and Mr. John Roherts premiums was small, and in-director of GEI INTERNA-director of GEI INTERNA-tite overleoked. Having re-gard to the difficulty of 2d-ministering the premium. der Roherts is group managing duction scheme for the small director of Ruberold. Mr. Thomas zhoungs of tax relief on acci-kenny is chairman of holh GEI International and Ruberoid. fief has now been abelished and the bolders of such policies will Lief has now been abelished and the bolders of such policies will in future have to pay 100 per Ian Q. Jones and Mr. Nigel M. Cent premium. Another add course concerns

Another odd corner concerns children's policies. Relief under

Regulations made by the children of tender years. If Board of Inland Revenue had means by this children area late down detail, and normally, under 12. Bot the Board has the fife affice will recover its, agreed a transitian arrangement desciency month by month. To that pelief will be allowed on this extent, therefore, the life children's policies issued before offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity out March 1 which otherwise artisty offices will be temporarity offices and the set of the temporarity of the set of the temporarity offices are articles and the set of the temporarity offices are articles and the set of the temporarity of the set of the temporarity of the temporarity of the set of the temporarity of the temporarity of the set of the temporarity of the temporarity of the set of the temporarity of the set of the temporarity of the set of the temporarity of the temporarity of the temporarity of the set of the temporarity of the tem

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Dr. Ernst H. van der Beugel, a professor ef international relations at Leyden University of The Hague, the Netherlands, has been eppointed to the Board of RANK XEROX. He has been a director of the parent company Xerox Corporation since 1972, is chairman of the International Institute for Strategic Studies in London and bonerary secretary-general to Dr. Ernst H. van der Beugel, as a planning engloeer he jained the MG Car Company becomiog director and general manager lo 1969. Following a period in the MG Car Company becomiog director and general manager lo 1969. Following a period in the MG Car Company becomiog director and general manager lo 1969. Following a period in the MG Car Company becomiog director and general manager lo 1969. Following a period in the MG Car Company becomiog director and general manager lo 1969. Following a period in the MG Car Company becomiog the MG Car Company becomiog the MG Car Company becomiog director and general manager lo 1969. Following a period in the was made director of the Swindon Body Plant in 1978 as a re-established in 1978 as a secretary-general to Lambourna was appointed

AL. Whited W. Baker n25 Bern 2ppointed commercial director of NORMALAIRE - GARRETT LIMITED. He joined the com-pony in 1945 and became com-mercial manager responsible for the company's civil business. Westland Aircraft is the pareot concern.

BARRATT DEVELOPMENTS (SCOTLAND), a member of the Barratt Group, househuilders, has made the following appointments to the Boards of its sub-sidiaries in Scotland: Mr. Joe Walker becomes managing direc-tor of the new company, Barratt Mr. Edmand Thempson has been appointed an executive director and Mr. John Roherts Developments (Glazgow), having been construction director. been construction director. Barratt Developments (Edin-burght, Mr. Jack Bohin is now-technical director of Barratt Developments (Glasgow) after holding a similar oost with Rarratt (Falkirk). Mr. Walter Higtion, at present company accountant with Barratt Develop-ments (Falkirk), becomes Anancial director of Barratt Developments (Glasgow). Mr. William Learmonth is to yacate William Learmonth is to vacate the post of managing director of Barratt Developments (Falkirk) statistical directors of that own life or thot of hushand ar mines with the up of ways. By direct debit, mums on contracts "made" by within the life in the individuals. Not in meason by statisty of ways. By direct debit, mums on contracts "made" by by statisty of ways. By direct debit, mums on contracts "made" by by statisty of ways. By direct debit, mums on contracts "made" by by statisty of ways. By direct debit, mums on contracts "made" by by statisty of ways. By direct debit, mums on contracts "made" by by statisty of ways. By direct debit, mums on contracts "made" by by statisty of ways. By direct debit, mums on contracts "made" by the individuals. Not immedson diffet up by insures, or through argued that a child of tender defailed changes to their because of his of her lack of seconting in the pround, and to beins with N. M. Rothschild and Sons, is seconting in the pround, and to beins with N. M. Rothschild and Sons, is seconting in the pround, and to beins with N. M. Rothschild and Sons, is seconting in the pround, and to be allowable on premiums "The beard of lalend Revenue be allowable on premiums "The beard of lalend Revenue be allowable on premiums "The beard of lalend recent of the british Lines Bank Mr. Suess "The beard of lalend recent of the british Lines Bank Mr. Suess "The beard of lalend recent of the british Lines Bank Mr. Suess "The beard of lalend recent of the british Lines Bank Mr. Suess "The beard of lalend recent of the british Lines Bank Mr. Suess "The beard of lalend recent of the british Lines Bank Mr. Suess "The british lane and to "The beard of lalend recent of the british Lines Bank Mr. Mr. With Leech Homes (Scotland). "The british lane devenue the states are setting "The british lane devenue the states are setting "The british lane devenue the children of tender years. The Board of lalend formally, under 12. Bot the Board has the filled on an easin by this children areas the filled on an easing by the children of tender years. The bread the will recover its areas by the children to he fuil-time denuty chairman of Barrett Developments (Scot-

HTH LANGE-	DAM ANVER				Falls
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6 6		2 30	High · Low	SinceG'mpi1't'n High_ Low	Denmark 1**         96.04         94.66         95.51         88.52         Switzerldi //         518.51         5           France         (11)         101         78.4         71.5         111         <
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Ind. div. yield %	April 4 1 4.97 8.70	Mer. 28 4,99 8,66	Mar. 21 Ye 5.03 8.58	ar age (approx). 3 32 8.48	Italy         (15)         72.81         76.81         18.49         56.33         Amer. Tel, & Tel, 276, 364           Japan         (a)         442.56         441.91         422.97         441.41         1970.         154.14.16         564           Japan         (a)         442.266         441.91         422.97         441.41         1970.         154.14.16         567           Japan         (a)         452.26         111.1         (b)         1570.11         140.9         567           Gingapore (b)         378.52         318.19         378.52         344.34         a         Tokyo         New         SE           Gingapore (b)         378.52         318.19         378.52         346.34         a         Tokyo         New         SE
Long Gov. Bond Yield	8.88 .	8,98	9.02	8.32	Indicas and base dates (sil base 29/12/78, e Stockholm values 700 oxcept HYSE Al Common- I Gwies Bank-sCorpora 50; Standards end Poers-10; and able.

Indices

WORLD STOCK MARK WORLD STOCK MARK

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April 6 | April 5 : Apr. 4

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Rises and Falls

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Toronto 300--1,000: the lest named based on 1275). † Excluding bonds, ± 400 Industrials. § 400 Industrials. 40 Utilhies. 40 Finance and 20 Transport. 1 Sydnay All Ordlesry. I Beigleo SE 31/12/65. \*\* Copenhagen BE 1/1/73 \*\* Paris Bourso 1961 ±t Commarzisank Amer. Tel. & Tel. 278,800 81% ± + 4 Dec. 1953. §§ Ametordam Industrial 1970. \*\* Hang Sang Bank 31/7/64. \*\* Banca Commerciale Itraliane 1972. \* Tokyo New SE 6/1/58. b Stralts Times 1986. ¢ Closed. d Madrid SE 29/12/78. e Stockholm Industrial 17/58. I Swies Bank «Corporation». ± Uneveil-able.

## EUROPE

NEW YORK -DOW JONES

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CURRENT INTERNATIONAL BOND ISSUES

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#### Companies and Markets

# INTERNATIONAL CAPITAL MARKETS

# **BY FRANCIS GHILES** INTERNATIONAL BONDS **Difficulties of a mixed market**

IT WAS smiles all round in the issue for Nova Scotla Power latter had been increased for issuing slerling bonds. Bankers dollar. Canadian Jollar and par- Corporation.

ticularly Sterling sectors of the bond market last week. The maturity and a higher coupon a good reception in the secon-story was quite different how- than the one which was with- dary market. On Friday erenion lever in the Swiss franc sector drawn by Kidder Peabody for and even more so in the the same borrower six weeks Samurat bood market where the ago because of deteriorating Y10bn. for Eurofima was : des- market cooditions .crihed by some members of the management group as a oration issue is notable for disaster.'

34

In the dollar sector a firm operating very early in the J.S. currency and the easing life of the bond-May 1980. It **U.S** of U.S. interest rates pushed up prices by an average of 1.4, every year until 1985 when the points across the board. Tech- figure will rise to \$3m until nical factors also helped as a maturity. shortage of new paper became increasingly evident. Bond dealers can still not afford to

carry large inventories and with much of the new paper issued in February now placed, huvers are harder pressed to find bonds. unchanged at the longer end. This partly explains the good reception for the S75m issue for which was increased on Two new Thursday to \$100m. issues were announced at the

**INTERNATIONAL FINANCE** 

The Itel hond carries a longer Investor demand. Both met with Hudson's Bay ended at 99

The Nova Scotia Power Corpits sinking fund which slarts will retire \$2.1m worth of honds

Prices ίο the Canadian dollar sector, which rc-opened the week before last, rose on the week by i-1 point at the shorter end of the maturity raoge but remained The final prices were set last week for the two issues which ticularly on Friday. re-opened this sector of the markel, a CS50m hond for the Minimum Lending Rate Canada's Export Development announced on Thursday has so

the secood time due to strong say corporate treasurers still year issue done in mid-March

consider coupons ton high. EDC was quoted at 99-100 and A C380m two-traoche offer-ing for the Royal Bank of the Republic of Finland, by Credit Suisse Firal Boston. The 6.7-6.8 per ccnl. Canada was snnounced aod. last SDR denominated bond was early indications suggested a very fair reception. Strong ment Bank last month.

demand for all these issnes was Among the harder eurrency reported to be coming from London-based U.S. banks, the the Semural bond. The roots Benelux countries and the of the present difficulties lie in the government's need to arrange a huge flotation of Middle East. Further Canadian

dollar issuea are expected, though not thia side of Easter. national bonds this year. Recent aterling bond issues For the first time ever. reached their highest level ever last week. GEC was quoted at Japanese ten year government bonds issued at 991 fell to below 103 bid while the recent issue 90 In secondary market trading. The foreign Yen honds issued for FFI closed last Friday at by Denmark and Austria followed the path of the recent Sears. Roebuck and Canada 1057-67. Trading was described by dealers as very active, par-The full point reduction in bonds

end of the week, a 14-year \$40m. Corporation and a C\$60m one far failed to tempt any other Underwriters are pointing to stabilised bond for Itel and a 10-year \$50m for Hudson's Bay Company. The UK corporate borrowers into the terms won by the Canadian the week.

government for the ¥30bn five as the cause of the sudden col The first ever Special Drawing lapse in the market. That issue Rights denominated bond for a yielded 4.48 per cent when it sovereign borrower was laun- was priced at a time when comched last week-SDR 50m for parable Japanese government bonds were yielding between

sector, by far the worst hit was the management group as a

The Y10bn issue for Euro

with dealers unable to early last week to their lowes blace them, even at discounts of ever levels although they three points. recovered on Wednesday and

(g'teed Prov. N.Scotia) 50 D-MARKS arranged for the Nordic Invest- firma priced at 991 last week Credit National to yield 6.39 per cent, is (g'teed France) \*\*\*S. African Oll Fund described by some members of §Fujitsu ECSC disaster and virtually impossible Mitsubishi Chemica to place. The Swiss banks palled (g'teed Mitsubishi Bk.) 70 out of the management group at an earlier stage. The poor SWISS FRANCS state of the market bas 1\*\* Finland prompted speculation that it might be time to call for \*\*§Nîchiei breather and close it for a spell This is what has already CANADIAN DOLLARS happened in the Swiss france straight bond market two weeks

EDC. Hudson's Bay Co. ano. This did not prevent Royal Bank of Canada Swiss prices from falling again Royal Bank of Canada YEN · stabilised in the latter part of 1Eurofima SPECIAL DRAWING RIGHTS Not yet priced. I Final terms. " Placement. , ruge Commission. 11 Registered with U.S. Securities and Exchange Commission. Note: Yields are calculated on AI&D basis. BY JOHN EVANS, RECENTLY IN KUWAIT

> basis points Only short-term rates showed some lendency to climb during the week although by less than had been generally expected. This was best illustrated by the-Treasury's sale of three month hills on Tuesday which returned an average discounted rate of 9.593 per cent, the highest on such securities since the 9.908

three month bills to a scant. basis points which compares with an average over the past 12 months of 88.

> Although , the Treasury's

activities - dominated - attention. the market was forced to concentrate its mind on issues related to the major news story of the past ten days. The reason was a \$100m 30 year bond issue by Virginia Electric and Power Company which draws 35 per cent of is electricity from nuclear power -stations.

10.10 per cent which had been expected before the Three Adde Island accident.

Much of the atrength in the bond markets last week mis attributed to a gathering conviction among investors titat interest raics have peaked. This view has taken hold scienti times in the past year and each time been, proved false, As usual private economists are ; divided.

Tapping the OPEC money pool nationalised iodustry with a should bead up to a maximum major factor in the inter- particularly in investments. group of major Kuwaiti banks. S150bn annually. This suggests

The fixed-interest placement OPEC could expand its overall is being discussed on the basis surplus to a figure near \$20bn. of a rate under 10 per cent. If agreed, the \$100m would be placed mainly among the sharebolders of the London-hesed consortium. United Bank of Kuwalt. It should represent a useful source of funds to help the UK smooth the "hump" of foreign debt repayments due in

the early 1980s. The deal comes at a time of renewed international interest in the Arab world us a source of monetary surpluses, followprice rises agreed at

OPEC's Geneva meeting. For the first time since 1973-74, when a quadrupling of prices produced a \$60bn OPEC surplus, the oil states can look forward to a substantial in-crease in their monetary assets. Initial estimates suggest oilconsuming nations will bare to ing on ambitious development find an extra \$20bp-\$25hn in a full year to meet OPEC's demands, with \$6bn due from the U.S. alone.

4 1 11 11 11

compared with the \$9bn-\$10bn

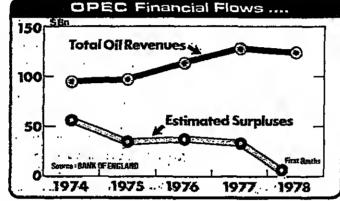
outcome in 1978. Thus OPEC, which last year became a net borrower in the international banking markets for the first time, can look forward to a welcome resumption In the growth of its monetary

As well as adjustments to pro-duction, the other factor deter-mining the ultimate surpluses will he the pace of Internal development within the OPEC economies. Few oil natioos escaped

severe inflation in the mid-1970s, largely following the conditions created by boom massive oil revenues. There are signs that, this time around, a tresh spurt of income may nol be absorhed by heavier spendschemes. There is as yet no resurgence \Vhile

FT INTERNATIONAL BOND SERVICE

THE BANK of England is which OPEC restrains oil pro- balance. But Geneva may have sophistication and distrust of - Private investments: As well negotiating a \$100m 10-year duction in order to protect usbered in a period in which the dollar points to continued as official surpluses, foreign private placement for a UK price levels, total revenues the oil surplus again becomes a diversification by the oil states, banks are increasingly cultivated.



national mooetary and financial —Deht position: The impact systems. of higher prices should be a Some bankers suggest that a useful opportunity for the number of key areas will "high absorbers" among the cocounter important changes. oil states to improve their diversification: current account positions. Last - Carrency diversification: current account positions. Last While the dollar's recent year, OPEC as a group became stability has opparently reduced a net debtor to international alternative hanks (although worldwide it emands, with \$6bn due from of Western concern over the pressure for alternative banks (although worldwide it the U.S. alone. OPEC surplus as a major source methods for oil pricing, a com-still held accumulated assets Depending on the degree to of international payment im-bination of growing OPEC totalling some \$175tn 1.

ing private sources of wealth in the Arab world, which are growing more numerous as economic development distributes money through the economy.

This has been an important growth area, as official surpluses have dwindled, and a number of banks have established specific operations to woo the private Arab investor.

in recent mooths, several billion dollars worth of private | Treasury was gasping for money wealth has reportedly left the Gulf area, following instability In Iran and elsewhere. Investment targets have ranged from U.S. real estate of offshore bank deposits.

situation in 1973-74, a renewed surge of oll wealth need not necessarily be re-cycled through the Western banking system, A drive has been made in the Arab region to expand Its own banking system to handle the international deployment of oil money. Many of these banks tion of these funds.

CONGRESS LAST week finally pulled the curtain down on the drama which has been gripping the financial markets and raised the Treasury's debt ceiling from \$798bn to \$830bn on Monday. Having postponed a number of issues in recent weeks, the

and by Friday had raised more than \$20bn through a series of

but the response on Wednes- but they did exact a 10.30 per day to the \$3.34bn sale of one cent yield compared with the year bills was much more 10.10 per cent which but the average discount rate of 9.23 per cent was 371 basis points below the peak 9,605 per cent sci on January 3. The week's sales closed the yield differential hetween ooe year and

and on triple A corporates by 2



#### shorl term bills. During the week yields on six. months and one year Treasury bills fell by up to 10 basis points -Arab banking: Unlike the while prices un long term

Treasury bonds rose by anything between 1 and 13. Wilh the dearth of new issues, the corporate sector had a strong week. although some weakness set in on Friday when it was revealed that there had been no change in the unemployment rate between Fehruary and March. are well equipped to capture Nevertheless, yields on Iriple A and disseminate a large propor-ullities fall by 5 basis points

**BY JOHN WYLES U.S. BONDS** The curtain is pulled

U.S. OOLLAR	Issued	Change on aid Otter day week Yield	YEN STRAIGHT
CECA 94 84-99		961, 964, +01, +01, 9.75	Australia 56 8
8ayes Int. F. XV/ 74, 8 CECA 94, 84-99 Canada 9 83 Canada 98 98 Canada 98 98 Canada 98	.350	84 <sup>1</sup> / <sub>2</sub> 85 0 +0 <sup>1</sup> / <sub>3</sub> 9.72 96 <sup>1</sup> / <sub>3</sub> 96 <sup>1</sup> / <sub>3</sub> +0 <sup>1</sup> / <sub>3</sub> +0 <sup>1</sup> / <sub>3</sub> 9.75 96 <sup>1</sup> / <sub>4</sub> 38 <sup>3</sup> / <sub>4</sub> +0 <sup>1</sup> / <sub>3</sub> +0 <sup>1</sup> / <sub>3</sub> 9.63 87 <sup>1</sup> / <sub>3</sub> 87 <sup>1</sup> / <sub>3</sub> +0 <sup>1</sup> / <sub>4</sub> +0 <sup>1</sup> / <sub>4</sub> 9.76	Australia G <sup>1</sup> , Si Fintend S.C 83 Finland S 8 88
00w Chem. 0,5 93 54	200	9712 88 +01 0 8.92 942 9512 +012 +05 8.94 100 10012 +073 +012 +05 9.80 10012 10074 +012 +013 10.04	Fight at ou
EIR 9 <sup>1</sup> , 98 EIR 9 <sup>1</sup> , 86 EIR 9 <sup>1</sup> , 89 EIR 9 <sup>1</sup> , 89 Erpoit Dv. Cpn. 81, 8 Export Ov. Cpn. 91, 8	150 t00	100 100 +6 +0 9.80	
Erpoit Dv. Con 8.65 8	1 150	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	OTHER STRAIG
Export Ov. Cpn. 94 84 El upon linans 8 86	\$ 100 . 50	97 <sup>3</sup> , 96 <sup>-</sup> , +0 <sup>3</sup> , 0, 9.81 96 <sup>3</sup> , 96 <sup>3</sup> , 0, +0 <sup>3</sup> , 9.64	Nordic I. ak B Auto Cole a. 7 Komm. Inst. 7
	100	95- 98- +0- +0- 8.89	Fenamo ala 93
Finland 9 88 Finland 91, 85 Gottel fin. 84, 84 Hospital O/S 9 83 Hudson Sey Co. 10 Hit Finance 98, 90 Het Finance 98, 90 J C Penney 87, 83 Marinoka 99, 89	60	88' 98' +0' +0' 9.89	SOR France 7
Gould Int Fin. 5% 85.	25	99 <sup>1</sup> 100 <sup>1</sup> 0 +0 <sup>1</sup> a.77 971 98 +01 +01 9.62	CFE Mexico 74
Hudson Sey Co. 10 94	50	1007 107 0 +04 9.85	EIA 74 85 FI
J C Penney 27 83	100	96' 95' +0' +0' +0' 9.46	Ned, Middbk, I Now Zealand S
Manitoba 91- 89 New Srunswick 91- 94	75	97'- 97'- 0 +0'- 9.88 981, 982, +C'- +0'- 9.94	Norway 81, 84 F
Newtoundland 10.94	50	387, 991, +01, +01, 10.11	EII Aquitaine 9 EIE 94 88 FFI
Nersk Hydro 94 84	150	100,101 0 0 9.77	i ilorway 9% 84 1 PSA Paugeni 9% Total 011 9% 87 Unitevet 10 85 CECA 9% 89 E Chicarp 10 95 File 9% 88 C
Nerway 9% 84. Nerway 9% 84. Ponland 10 84. Ouebec Hydro 9 <sup>1</sup> ; 93. Rediand Fin. XV/ 94, 91 Start Roebuck 9 82. Start Roebuck 9 82.	. 50	97 97 0 0 10 67	Total Oil 9's 87
Redland Fin. XV 91, 91	25	91, 93', +0', +0', 10.57	CECA 27, 29 E
Stars Roebuck 9 82 Stackholm 9% 94	750	100' 100' +0' +0' 9.50	EIB 94 88 C
UK 8. 93	150	95, 96, +0, +0, 9.58	Finance for Ind
			Gen, Elec. Co. SAT & 88 Lush
DEUTSCHE MARK		Change on	Bayer Lux. a 8 FIS 72 88 LuxF
STRAIGHTS	Issued	and Offer day week Yield	Eurnom a av
Amonican Ex. Int. 51: 82	70 .	931 937 -04 -15 S.57	Finland 1 F 81 Narway 75 83 L Narway 76 83 L
Arrentina St. 83	150	93', $84'$ , $-0'$ , $+0'$ , $7.4'$ 93 98', $0'$ , $-0'_3$ , $8.25'$ 92', $92''_3$ , $+0'$ , $+0''_4$ , $5.7'$ 97, $92''_3$ , $+0''_4$ , $5.7''_6$	Renault 74 85
Austria 34 90	150	921, 921, +01, +01, 5.71 971, 981, 0 +06, 7.60	Scivery Fin. a S Swedish Bk. a l
Amonican ex. Int. 52 a. Arcalina 55 58 Austra 54 58 Austra 54 50 Banco Onsarrollo 74 57 Bankametres 53 53 Ba, Sai Alcence 74 57 Brazil 72 87 Osca 8 68	100	94 94 0 -0 643	37/9/131 BA. 4 0
Bq. Sat Alcene 7% 85 Brazil 7% 87	5 100	96 <sup>-</sup> , 97 <sup>-</sup> , -0 <sup>-</sup> , 0 7.8 <sup>-</sup> 99 <sup>-</sup> , 100 <sup>-</sup> , 0 0 7.23	FLOATING RAT
GSCA 6 88	150	95' 95' 0 -0' 5.63 97' 98' -0' -0' 6.21	NOTES
Composizhant XV/ 32	100	187 82 0 -01 6.19	Arch Intl. Bank BFG Fin. Co. M Bro. El Salvado
	75 130	95, 96, 0 -0, 6.83	Aco. El Salvado Aco. Noc. Argan
Council c! Europe 6'a. Oonmark 5'a 83 Oonmark 6'a 83	100	96 <sup>3</sup> , 97 <sup>3</sup> , 0 +0 <sup>3</sup> , 5.33 95 <sup>3</sup> , 97 <sup>3</sup> , +0 <sup>3</sup> , +0 <sup>3</sup> , 5.94	aco. Nac. Argen
EIR 6 90	300	971, 931, 0 +01, 6.91	Banco Unanno Bank ol Tokyo Banguo Vorma
Fis 62-91 Fistrohias-Braz 1 7 87	100	95 96 -0 0 7.5	Bane C. d'Alo. M
Enrofima 61- 39	100 150	$107^{1}, 107^{1}, +0^{1}, +0^{2}, 0.23^{1}$ $99^{1}, 99^{2}, -0^{1}, +0^{2}, 5.12^{1}$	Sq. E. d'Alo. M Eq. fxr d'Alo Ba. Indo et Su
Hilachi Ship, 34 83	50 100	971 984 + 04 - 04 8.21 971 977 - 05 - 07 7 55	Rn. I. Al fice
Ferrohias-Brazil 7 87 Errofinas 6: 39 Finland 6 83 Hiachi Ship, 55 83 Indonesis 7 84 Kobe, Crit ol 65 85 Miraub 51: 7610, 55 85 Miraub 51: 7610, 55 85 Miraub 51: 7610, 55 85 Miraub 51: 7610, 55 85 Nimor Tel, 8 T, 55 93 Nomer Tel, 8 T, 55 93 Nomer Tel, 8 1, 55 93 Nomer Figure 6 83 Oxidential 63 Oxidential 63 Oxidential 63 Oxidential 63 Nomer 68 Nomer 68 N	100	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	RT. I. AI IGC RT. I. AI IGC RT. J. AI IGC RT. J. C. S.
Mircub shi Polito, 5% 83	150	op 983 +01 +0 6.0	Ch. Man O.S. Criticom O.S.Fi
More Zanland 65 87	200	98 983 + 01 + 03 60* 991 100 - 03 + 03 60* 993 100 - 03 + 03 7.5* 963 100 - 03 + 03 7.5* 965 97* - 01 - 03 5.7*	Gredit National Gorahanken MS
Nooon Steel 51 85	100	$957_{2}$ , $977_{4}$ , $-01_{4}$ , $-03_{4}$ , $5.29$ $96$ , $967_{4}$ , $-02_{4}$ , $-03_{4}$ , $5.43$	Ind P: Janar
Hordin Inv. Pk. 52 55	-	$945_{12}^{-6}, 977_{1}^{-} - 01_{1}^{-} - 01_{1}^{-} 5.7^{-1}$ $94_{2}^{-}, 942_{2}^{-} - 01_{2}^{-} - 01_{2}^{-} 5.4^{-1}$ $977_{1}^{-}, 991_{2}^{-} - 01_{2}^{-} - 01_{2}^{-} 5.6^{-1}$ $977_{2}^{-}, 977_{2}^{-} - 017_{2}^{-} - 01_{2}^{-} 5.6^{-1}$ $977_{2}^{-}, 977_{2}^{-} - 017_{2}^{-} - 01_{2}^{-} 7.5^{-1}$ $961_{1}^{-}, 942_{2}^{-} - 01_{1}^{-} - 01_{1}^{-} 7.5^{-1}$ $961_{2}^{-}, 942_{2}^{-} - 01_{2}^{-} - 01_{2}^{-} 7.5^{-1}$ $971_{1}^{-}, 98_{2}^{-} 01_{2}^{-} - 01_{2}^{-} 7.5^{-1}$	1.4412-947 14" 1768 Janse 145
Provine Poppin, 6.87 Provine Poppin, 64,89.	100	b77, 97, -01, +0-, 6 58	Piers Call at M
Normay Ga 34	2001 160	101 101 0 +05 5.95	OV8 11-3 25
OF R. 88	100	007 00 05 6.57	Pitchen Minner
Printe Friel 7 88	100	071 M LAL -0. 7.77	Depymeter Rarty
C 51, 73		ACT, 057, -03, -01, 6 63	Condess-Nehn-
Stright 674 89	. 1 <sup>61</sup> ·	ריז פיני () ה ה 174 פרד פרי, ה + הי ה ה הירא	Utd. O'seas BL
11-1-n Ranb. Fred 61- 85	; ;; ;	041, 047, () +0', 7,97	CONTESTIBLE
World Back 64 88	400	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	BONDS
			Asics 54 93 Baker Int. Pin. Baots 64 93
SWISS FRANC		Change on	Constants of the second
STRAIGHTS	Isaued	and an inclusion of World	Coch-Cola 801 Horda Maler 5
Acesa 01, 58	40	and Other day week field $10^{10}$ , $10.4 + 0^{1}, 4.74$ , $4.74$ , $4.74$ , $4.74$ , $4.74$ , $4.74$ , $97$ , $914$ ,	Novo Industri
Acese 31, 55 Amer. Esp. Int. 23, 90 Asith Dev. Sonk 32, 94 Anstein 33, 50 Austrelia 25, 89	; 40 100	87, 97, 40, 0 373 88, 89, -01, -11, 4,53	Nevo 1609371 Texas Int. 41.
Anstria 31- 52	100 250	641 95 +01 0 3.57 051 95 +01 +01 4 14	Thorn Int. Fm.
Austrena 22 07	100	oo1, go1, +0-, -03, 4 74	s hi Notic I 3
Brazil 44 Canada 3'i 89 Chase Manhalton 4 90 Council of Europe 4's	300	961, 961, -01, -01, 4.09 991, 991, -07, -17, 9.05	Casio Co. 3 <sup>1</sup> - 8 Izumiya 3 <sup>1</sup> - 86 DM
Council of Europe 41	100	001, 003, -11*, -11*, 4 *1	Jusco 31 66 DM
		1 m 1001, 07 m 1 m = 12, 4,96	Kensa, Elec. 4 Konishirot 3 <sup>2</sup> ,
aND5 5 88	100	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Mnrudai Foort 3 Murata M. 34 8 Nico. Air. 3.5
Fla 4', 93 Furatom 4', 93 F. L. Smidtt 4', 89	80	071, 971, mR, =12, 457	Nico. Air. 3.5
Em (307) #44 #35	30	ani ani 11 - 12 4 53 ani ani 12 - 12 4 53 ani 100 - 10 - 12 4 53	Ninnon Ysn. 37 Ningan Diagl. 34
679 4. 91	100	VOT. 107 - 03 13. 457	<ul> <li>Nico, Air, J.J. J.</li> <li>Nicon J'sn, 3's, Nissan Oiesi, 3's</li> <li>Olymp, Oct. 3's</li> <li>Ricoh 3's, 36 OM</li> <li>Sharo Co, 3's 8</li> <li>Stanlay Einc, 3'</li> <li>Tobyo Elsc, 3's</li> <li>Tobyo Elsc, 3's</li> </ul>
ICI Fin. Nº 25- 94	35 271	04", 071 +01 -05 1.42 071 07 -04 -04 075	Ricoh 31 36 OM
Heron 45, 99 ICI Fin. Nº 24-92 Manyad 45, 99 Naw Zertani 55, 92 Navies Kasim, 45, 90	50 120	001, 001, 0 -01, 4 93	Stonlay Einc. 3
Names Kemm, 49 20	100	109 901 -0 -7 4.23	Tobyo Elec 34 Takya Le Ca. 4
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Puters of AL SP	50	671, 671, +01, -02, 5.04	·
Sea 2 ***	100	or, e., -0, -1, 4/9	2 The Financial
Views 4 93 .	100	641, 624, 17, 17, 453 641, 69, 101, 10, 415	ol th barting a consent Date
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· ·	•	Change on	BONDTRADE INCEX ANO YIELD
	YEN STRAIGHTS Issued a	lid Offer day week Yield	Medium term Long torm
		84 843 +01 -33 8.19 ( 84 55 -01, -11, 7.12	Anill 8 95.34 8.62 89.39 8.32
	Australia 6- 88 20	91% 22% - Ga - Pa 7.77	1,4a1. 20 95.22 a.65 69.16 a.35
1	Finland 5.6 83 10	93 94 -014 7.58 92, 93, -04 -0, 7.93	N/gh '79 95.75 (1/2] 89.99 (30/1) Low '79 94.40 (11/1) 88.67 (28/2)
ļ			LOW 13 34,40 (11/1) 08.07 (20/2)
Í.	OTHER STRAIGHTS Issued E	Change on id Offer day week Yield	EUROBONO TURNOVER
ł	Nordic I. 8k 9 84 508 20	S' 99: 0 -0: 9.22	(nominal value in \$m)
	Auto Cole 8, 7 93 EUA 16	914, 93 0 +04, 7.90 975, 987, 0 -03, 7.71	U.S. 5 bonds Codel Eurocleor
ſ	Penamo 84 93 EUA 20	14 95-₂ 0 ⊶0', a.so	Last weak 4.5.7 1.200 4
i	Algomene ak. 64 23 dl 75	5. 96. 0 0 7.41	Pravious week . 464.5 1,168.3
	OEE Maando 77, 97 EL 75	36 937 0 -04 8.15 44 954 0 -04 8.29	Other bonds
	Neul, Middbk, 34, 84, 71, 75, 10 Now Zealand 51, 84, 71, 75, 10 Norway 84, 84, 71,, 100, 10	44: 95: 0 -0: 8.29 0 100: 0 +0: 9.19 44: 95: 0 -6: 8.07 10: +0: +0: +0: 7.96	Lasi week
;	Now Zealand St 84 Fl 75 Norway St 84 Fl 100 1	107 +0- +0- 7.96	
	Fil Janutaine 91, 23 FFr 150 3	16'A 99'S U U 3.5V	
	Horway Sta 84 FFr	16, 93, 0 -01, 9.88 19, 100, 0 0 9.30 19, 19, -0, -0, 9.83	* No Information available-
	Total Oil 9's 87 FFr 150	77: 93: -0: -0: 9.77	previous day's price.
	CECA 9% 89 E 20	971. + 04. + 17. 10.92	7 Only one market maker
1	Criticarp 10 93 E 49 3	12: 92: +C +1, 11.08 6: 97 +0; +2: 10.74	supplied a price.
	F	54 106: +01 +14 12.07	STRAIGHT BONDS: The yield
	0 T 0 03 1 H E 759 9	T. PEL 0 0 8.35	is the yield to redemption of the
	RAT 2 33 Lusfr	77- 95- 0 0 8.36 6- 97- 0 -0- 5.17	nid-price; the amount issued is in millions of currency units e:-
		101, 107-1 0 +0-1 7.87 ·	cept for Yen bonds where It is
•	Monway 75 63 Luc Fr . 250	7. 951 -0- 0 8.34	in billions. Change on week =
	Nomes Fra. 8 86 1-157 500 Renault 74 85 LuxFr 520	T. 98. 0 +0'. 8.08	Change over price a week earlier.
	Scivery Fin. & S5 Liver 500 10 Swedish Bk, & 88 Liver 500 10	01 107 0 +01 7.84 0 101 0 +03 7.89	FLOATING RATE NOTES: Denominated in dollars unless
	3//8015/1 BK. & 66 LUTT1 500 14		otherwise indicated. M=Mlni-
:	FLOATING RATE	Offer C.dta C.con C.yld	mum counon. C.die=Date next
1	NOTES Spread Bid Are's Intl. Bank 115.3 93. 0's 96'	57. 31/7 11.44 11.79	= Margin above six-month offered
	EFG Fin. Co. M5.5 89 . 04 95 Bro. El Salvador M3 73 15 977 Bro. El Salvador M3 83 04 100	57, 31/7 11.44 11.79 299, 12/7 12 4 12.53 975, 12/4 11.31 11.59	rate for U.S. dollars. Cepn=The
	Day Man Armon MR 33 Ohr 2004	5 TEUS ZITT 12'S 12'19	current coupon. C.id=The
		9°, 71/9 11°, 11.73	current yieid.
	1	99 15/5 12 12.15 97 9/8 11 12 12.15	CONVERTIELE BONDS: De- nominaled in dollars unless
		99 15/6 12 12.15 97. 9/8 11 13.24 05 7/5 121 13.25	otherwise indicated. Chg. day =
	En Fr d'Aln M7. Pi O's 95 Ba lang c' Sucr 11. M	051 7/5 121 13.25 941 25 7 12 19.05 041 12 7 12 19.05	Change on day. Cnv. date=First
	Π, 97	08-27/7 11- 11.FT	date for reoversion into shares. Cay price = Normal amount of
	CCC5 N3 7 58 11 89	47: 219 11', 11.5" 8", 27'7 11,73 11.93	bond per share expressed in
;	Crivero O S Fin. 6 "1 0"; 40"	905 8/6 11 05 11.70 99 11.77 17.31 12.47	rate fixed at issue. Prem=Per-
	President MG 39 Ola 99	49 15/5 17 71 17/7	centage premium of the current
	Ind P) Japan Mail 60 Part	- ent 40/7 45 DA 17.77	effective price of acquiring
	1708 Janan 1451, 81 11 100	001, 9.5, 12.05 17.17 001, 9.7, 17.05 17.17 101, 77.6 12.81 17.01 101, 77.6 12.81 17.01	shares via the hond over the most recent price of the shares.
	Pling Cold Of M5.7.85 C. 04		The list shows the 200 latest
2		<b>663, 1077 7710 17, 1</b> 1	international bonds for which an
-	we et r'. 95		adequate secondary market exists.
•	Drygneten Harten per a ma Al, and Crandral Chart per a ma Al, and Cumper-lichging per at Al and	01/2 11 Se 11.94	The prices over the past week were supplied by: Bondtrade;
!	Utd. 0's+as Bi. 1.15 89 0'. 98		Kredictuank NV: Credit Commer-
•	Cav. Cav.	Cho.	cial de France: Credit Lyonnals:
	date pric	Bid Offer dav Prem	E. F. Hulton Services SARL; Commerzbank AG; Deutsche
	BURUD Avids 5% 4% 97.8 57.8 57.8 Rater Int. Fin. 5% 93 1178 44 Rater Int. 77.9 27 Rater 94.0 3 F 4 45 879 575 Charlemany 0.3 F 4 45 879 575	877, 17 -1- 2,F2 1177, 119: 0 0.91	Bank AG: Wesideut-che Landes-
	Boots 6' 03 2/79 2 7	1002 1102 -03 -5.00 07: 081 -0: -18.16	hank Girtzentrate: Banque Inter- nationale Luxembeurg; Krediet
	Cobe-Colo acilin. Ci 479	011, 01, 10, 21 M :	Bank Luxembourg: Algemene
	CT10	1 11", 11", ant. 1,0"	Bank Nederland NV: Piersen.
	Novo Industri 7 23 4179	. ant 021	Heidring and Pierson: Credit Suisse/Swiss Credit Bank; Univo
	Texts 11, 21, 7 00 11/79 3.07	1744 1745 - B' 2 65	Bank of Switzerland; Akroyd and
	There Int. Fin. 8- 83 9/78 get	47. 430% 0 FR	Smithers; Bankers Trust Inter-
	Casio Co. 34 85 0M11/78 800	as:, es:, =ni, 12,11	national: Banque Francaise de
	Izumiya 3** 36 DM 10/78 ****	PT7, 991,	Credit International: Citicorn International Bank; Daiwa
	Jusco 3 <sup>1</sup> , 66 DM 1/79 1757 Kensa: Elec. 4 81 OM 4/78 Konishirot: 3 <sup>1</sup> , 65 OM 1/79 1777	07 10: 17 07	Europe NV: Delter Trading Com-
	Konishirot 2 37, 65 OM 1/79 Mnrudai Food 31, OM 2/79 acq	ne. en er 3. c.	pany: Dillor: Read Overseas
	Mushim M 35 85 GM 11/75	PE' PE1, -0', 7 ""	Contraction: EBC: First Chicage:
	Nico. Alf. 3.5 88 OM 12/78	67 67 J. N1 9 7	Corporation: Hambros Bank; IBJ
٠ j	Nissan Olesi. 3'2 86 0M 2/79	eor, 100, 405, 7.27	International; Kidder Peabody
		• •	International; Merrill Lynch;
	Shnio Co. 3's 88 DM . 2/79 mm Stanlay Einc. 3's 0M . 11/78 673		Norgan Stanley International: Neshilt Thomson: Solomon
	OFYO ENEC AN OF UM WITH MIN	931, 961, 41 7,94	Brothers International: Samuel
	Trin Knwd. 37 86 0M 4/79 493	RR's R4's + (F, 8,71	Montagn and Co.; Scandinavian
			Bank: Strauss Turohull and Co.:
	2 The Financial Times Ltd., 1979	Reproduction in whole	Sumitomn Finance International S. G. Warburg and Co.: Wood
1	p ine rinancui linnes ctu. 1909 pi m partant any form noi per consent Date supplied by Inter-	mitter wilaget evillen	Gundy.
	consent Date supplied by Inter-	nell.	Closing prices nn April 6
	erenere of gallagraphics and incontacto		

0 -0 <sup>1</sup> 9.88 i 0 0 9.30 i		
0° -0° 9.83 0° -0° 9.83 0° -0° 9.77 0 0 9.74	* No information available— previous day's price.	
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	† Only one market maker	
0. +2. 10.34	supplied a price.	
0, +1, 12.01 0 0 4.35	STRAIGHT BONDS: The yield is the yield to redemption of the	
0 0 8.36	nid-price; the amount issued is in millions of currency units effectively and the second seco	
0 +0°1 7.89 0 0 a.33	in millions of currency units es- cept for Yen bonds where it is	
0 +0'1 7.89 0 0 8.33 0'1 0 8.34 0 +0'1 2.17 0 +0'2 8.08	in billions. Change on week = Change over price a week earlier.	
0 +0", 8.08 0 +0", 7.82 0 +0", 7.89	FLOATING RATE NOTES: Denominated in dollars unless	
U TUT 1.00	otherwise indicated. M=Mlni-	
a C.con C.yld	mum counon. C.die=Date next coupon becomes effective, Sorcad	
11.44 11.79 12 4 12.53 11.31 11.59	=Margin above six-month offered rate for U.S. dollars. Cepn=The	
121. 12.19	current coupon. C.yld=The	
115, 11 72	current yield. CONVERTIELE BONDS: De-	
10, 10.71 12 12.15 11, 12.24 12, 13.75	nominaled in dollars unless	
124 13.25	otherwise indicated. Chg. day = Cilange on day. Chy. date = First	
124 1267	date for conversion into shares. Cay price - Normal amount of	
11, 11, 5	bond per share expressed in	
11 05 11 70	currency of share at conversion rate fixed at issue. Prem=Per-	
12 35 17 33 19 PA 17,77	centage premium of the current effective price of acquiring	
17 31 12.47 17 31 17.47 17 35 17.33 17 64 17.77 17 65 17.17 17 65 17.17	shares via the hond over the most recent price of the shares.	
10 56 10 55	The list shows the 200 latest	
17 10 12,78 17 10 17 17 17	international bonds for which an adequate secondary market exists.	
11 50 11 00 11 50 11 01 0 11 05 11 01 11.14 11.24	The prices over the past week were supplied by: Bondtrade;	
11.14 11.24	Kredictbank NV: Credit Commer-	
Cho. ar dev Prem	cial de France: Credit Lyonnals: E. F. Hunton Services SARL;	
	Comoterzbank AG: Deutsche Bank AG: Wesideutache Landes	
-1- 2.53 . 0 0.91 01, -5.27 01, -18.45	hanl: Girszentrate: Banque Inter- nationale Luxembeurg; Krediet	
. TUP 21	Bank Luxembourg: Alceniene Bank Nederland NV: Pierson,	
1. +01, 4.4 	Bank Nederland NV: Pierson, Heldring and Pierson; Credit	
· · · _ · · · · ·		
1, +0%, 0,4%	Smilhers; Bankers Trust Inter- national: Banque Francaise de	
· 1 - 7 - 1	Chody laterational Cition I	18
- m. 11.21	International Bank: Daiwa I	
	<b>T</b> 111	1
1 - 6, 755	Certuration: EBC: First Chicage: Geldman Sachs International	
	Corporation: Hambros Bank, IBJ	
u = 14, 18.73	International; Kidder Peabody International; Merrill Lynch;	
+0', 30.04	Morgan Stanley International: Neshilt Thomson; Solomea	
+1 7.94	Brothers International: Samuel [	
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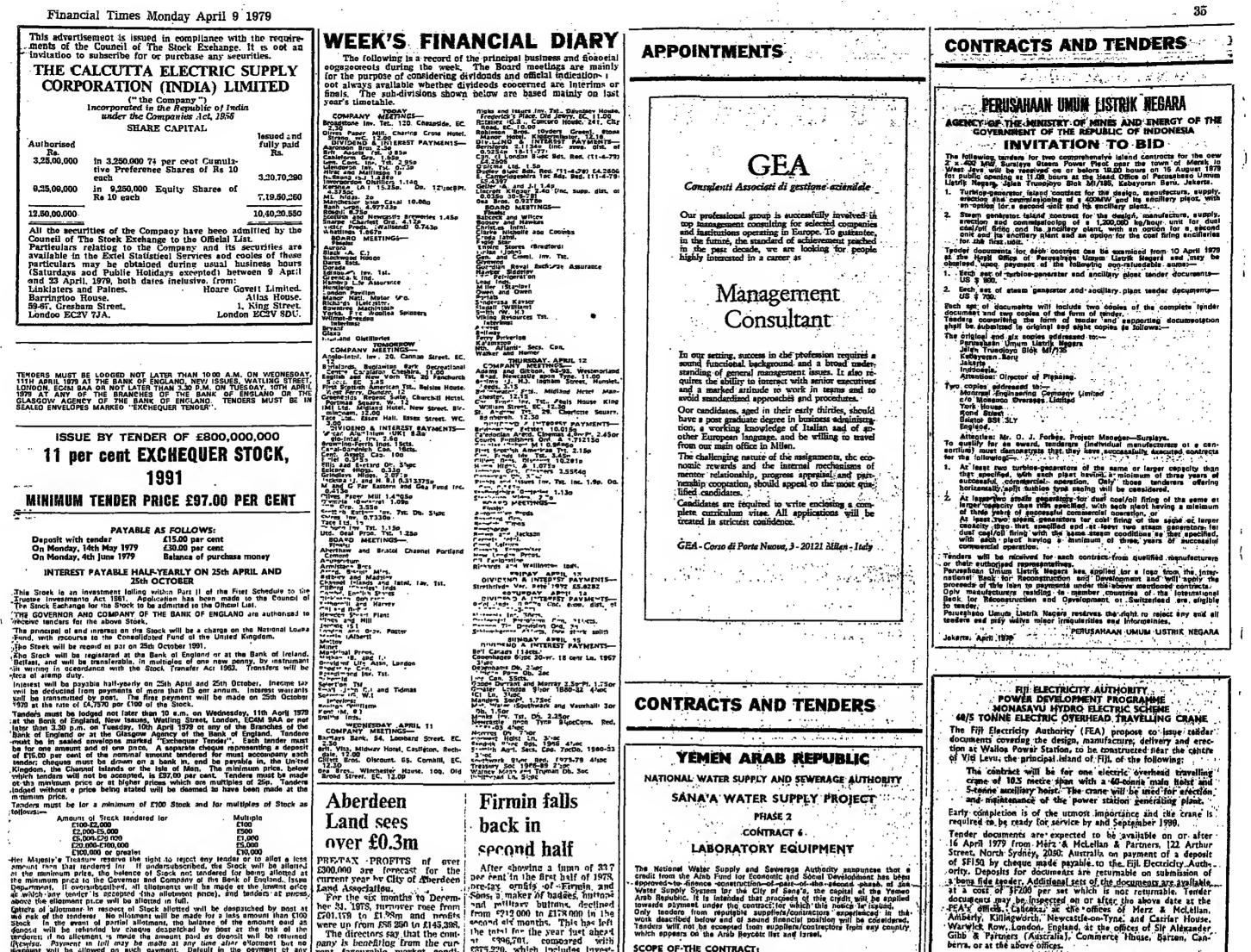
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part of the vast nationwide network ol savings banks. We offer a comprehensive range of commercial and investment services including foreign trade financing, security dealing, underwriting operations and project financing. For refinancing purposes we are authorized to issue our own bonds. For a banking partner whose first priority is productivity, just contact us al Lautenschlagerstresse 2, D-7000 Stuttgart, Tel.: (0711) 2049-1, Telex: 7-22701, or our Representative Office In London at Portland House, 72-73 Basinghall Street, Tel .: 01-6068651, Telex: 8814275 LBS LON.



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above the elictment pr.ce will be allotted in full. Epiters of allotment in respect of Stock slipticd will be despatched by nost at as nek of the tenderse. No elictment will be made for a lass amount than (100 Stock in the event of partiel allotment, the balance of the emount caid as denssi will be refunded by chaque despatchad by post at the risk of the tenderst; if no elictment is made the amount paid as decosit will be refunded liftentiat. Payment in full may be made at any time allot elictment but no

Land Association. For the six months to Decem-her 31, 1975, turnover rose from 2701.179 to £1.35m and profits were up from £55.250 to £145,398. The directors say that the cont-

is benefitio from th

(\$\$9.450),

ber rent in the birt but of 1965, bre-tax, ornfis, of -Firmis, and "Sons, a maker of badkes, huttone and military buttone, declined from \$212,000 to £173,000 in the second els months. This has left the intal for the year just abead \$396,701, compared wit 17337

fars.276, which includes invest-

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income higher at £44,775

The National Water Supply and Severage Authority annunces that a credit from the Arab Fund for Economic and Social Development has been approved to finance construction of part of the second shape, at the water Supply System for the City of Sans's, the capital of the Yemeo Arab Republic. It is interfaced that proceeds of this credit will be spelled towards payment under the contract for which this notice is issued. Only teaders from reputable suppliers/contractors experienced in the work described below and of sound finencial position yrib be coeldstad. Tanders will not be eccepted from explicat/contractors from easy country which appears on the Arab Reycout flat and Israel.

SUDPE OF THE CONTRACT: Supply, deliver and install equipment regulted for a dew Water and Waste Water Laboratory lumiture and intinga. Electricity, ges and water services for the sequipment, Equipment to carry out physical, chamical, because egics and biological examinations. General laboratory equipment. Sampling vehicles. Chamical regulats, dehydrated bacteriological media and other eupplies.

SCOPE OF THE CONTRACT

rent favourable, market condi-

It covise. Payment in Itili may be made all any time aller element but no discount will be allowed on such payment. Default in the dermant but no minimum the inc drive drive will incide the denomination pay instalment previously gold liable to forfeiture and the ellotment to cancellation. Exters of ellotment may be not into denominations of multiples of floo on written request requests by the Bank of England, New Issues, Varting Street. Landon, FCAM BAA, or by env of the Branches of the Bank of England, on any grad not lever than 31st May 1979. Such requests must be evened and must be accompanied by the letters of allotment (but a letter cannot be split if any instalment paymant is overdue). tions for housebuilders and they anticipate that profils for the second half will exceed these of the corresponding period of the

Lasters of allotment must be surrendered for registration, accompased by a composited registration form, when the balance of the ourchass money re gaid, uplace powent in full has been made before the due dote, in which case they must be surrendered for registration and later than 4th June 1979.

must be surmine an lot reterior nor inter than an June 1925. & commission of the rate of 0.25 o pet 160 of the Stock will be poid to bankers or stockblokers on allormente made in respect of tenders beating their stearp. Proveyor, no coverent will be made whato the benket of elockbroker would receive by way of commission or total of less than £1.

receive by way of commission a total of less than £1. Tender forms and expluses of this orospectue may be obtained at the Bank of Findand, New Issuer, Valund Street, London ECAM SAA, or at any of the Branchas of the Bank of England, or ar the Glasgow Agency of the Bank of Eatings of the Bank of England, or ar the Glasgow Agency of the Back of Eatings of the Bank of Insland, P.O. Box 13, Oonegall Place, Ballast, BT 58X; at Multions & Co., 15 Macrasta, London, EC2R SAN; or at any office of The Srock Etchange in the United Kingdom. Bank OF ENGLAND LONDON Bar Aptil 1979.

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This form must be lodged not later than 10 00 a.m. on Wednesday, 11th April 1373 at the Bank of England, New Isture, Watting Greet, London, EC4M SAA or not later than 3 30 a.m. on Tuneday. 10th April 1979 at eny of the Branchas of the Bank of England or the Glosgow Agency of the Bank of England. Tenders must be in seeled onvelopes marked "Exchequer Fender".

ISSUE BY TENDER OF £800,000,000

# 111 per cent Exchequer Stock, 1991

## MINIMUM TENDER PRICE £97.00 PER CENT

TO THE GOVERNOR AND COMPANY OF THE BANK OF ENGLANO THE GATERING AND COMPANY OF THE BANK OF ENGLAND

TO THE GOVERNOR AND COMPANY OF THE	PATMENT OF COOPOR NO, A			
THE STH APRIL 1973 AS FOLLOWS -	This is to maily 5.0.R. holders that at the Ordinary General Meet no of Share- holders held on Friday, March 36th, 1979			
Amount of above-mentioned Stock tendored in a multiple as follows:	tor, be			the approved as provided. Thus setting
Appoint of Stock applied for Multiple E100-E2.000 E100	<u> </u>	AMOUNT OF ST	Dex	the shareholder of idend for the Sath business turn at Ves 10 per share which
C2.000-£5.000 £500	6			means the annual dividend rate of 20 per cent.
C20 000-£100.000 E5.007	£			FOR holders interest will be out to all FOR holders win presentation of Couron No. 4 of the E.O., on or after 31st
\$100,000 or greator £10,000	-	MOUNT OF DEPO	517 (2)	Marsh, 1979 as enacr: (a) A the pflices of 1"2 following Continen.
at	<sup>2</sup>		<u>,</u>	tal payrie sents. K cilenank SA. Luxembourses.e.
Amount of deposit enclosed, being £15.00	£			43 Serievard Roval, Luvembourn
pilir cent of the nominal amount of Stock	-			Person Heldrino & Pierson N.V., Helengracht 213
		TENOER PRICE	161	Ansterdam, the Artie offices of the Depositary, Ochert
The price tendered per £100 Stock, being a mailliple of 250 and not less than the mini-				Flemming & Co. L'mited. 8 Crosby Scuare, Landon EC3A OAN.
repear tender orice of £97.00:	£	:	ומ	Unloss persons Pepps the coupons at such office pergest payment in U.S. dollars
- <b>47</b>				any applicable Exchange Control regula-
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any allotment that may be made in respect seid olospoctus.			1	rate of exchange of the Day the proceeds are remitted to the Depositiony.
I/V/e request that any letter of allotme matius be sont to merus by cost at my our	of in A	spect of Stock e	cillotted to	Goupons must be left for ave clear business days for examination, and may
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Territorias (d) and that the security is not the nomines of env person(s) resident outsid	e those	Louinod by line to Torritorico.	ndarer pa	5 o.m. United Kingdom Income lax will be
				deducted from coupons paid in the United Kingdom at the Depository, unless such
REASE USE BLOCK LETTERS al. or on bah	all of, to	ndarer	· · · · ·	COUDDAS ARE ACCOMPANIES by declarations to the contrary in accordance with Inland, Obvenue requirements.
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SURNAME OF TENOERER	-			interest, upon completion by the E.D.R. Bolders of getlarations of residency, such
MR/MRS/MISS OR TITLE				Occuments builds available of the stores
				ROBERT FLEMING & CO. LIMITED
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stated at 17.5n (16.10). The distinct from previous year. Tax for the half year took 3.69599 '0 4.15p net, with a final £75,600 against \$44,330 leaving , of 2,7434n, A one-for-one scrip net profits of £69,798 (f40 920) ] issue is also proposed. issue is also proposed. As known the interim dividend Turnover of is 2.5p (1p) net per 50n share. Last year's fioal was 3.52p. Improved from £1.6. The tex charge £165.648 (£165,974) have been restate MADDOCK CLAIM

**COMPANY NOT** 

RENOWN INCORPOSATED NOTICE TO E O.R. HOLDERS PAYMENT OF COUPUN No. 4

Sth Apr.I. 1970.

REDUCED

change in accouotio ing to deferred tax Maddock, which in the throes of a £0.43m rights issue, has been

notified hy the Department of

Labour and Industry of the Commoowealth of Peonsyl-Vannia that its claim aesinst Jackson Ching Inc. a Maddock subsidiary, has been reduced from £11P.000 to around £15,000. The Australian shoot of Nabisco of anoquinced a 426 m anoquinced a 426 m The claim relates to Joekson's self-insuring of its workmen's compensation liability The claim was referred to by the Buditors anoounced a 42.6 p rise for 1978, re from Melhourne. F was releared to by the suditors from A\$1.6m in the last report and accounts. (U.S.\$2.47m).

Turnover of the group Improved from £1.67m to £1.58m. The tax charze amounts to £1.53.643 (£105.974). Comparisons have been restated to reflect a change in accouncing pelicy relat- ing to deferred tax. Nabisco Australia The Australian biscuit and cereals groop Nabisco, en off- shoot of Nabisco of the U.S. has anoounced a 42.6 per cent profit rise for 1973. reports AP-DJ from Melhourne. Earnings rose from A\$1.6m to A\$2.2m (U.S.\$2.47m).	<ul> <li>Irom Iotin April, 1873, at the follow National Water and Sexparage P.O. Box 104 Sane's, Yoman Arab Republic or the Consulting Engineers: Howard Huush Keonat House Kings Road Reading, Berkohire United Klegdem.</li> <li>The completed Teoder Documents I National Wester and Sexpedge A P.O. Box 104 Sana'a, Yaman Arab Republic to mach that address no later than 1975.</li> </ul>	Authonity aser be east to: hythonity 12.00 sours least time oo 18th June, may be obtained fram the Coosulting \$ 125 per copy. The Director General NW25A Yeardo Arab Republic	
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when the service of t	KINGDOM OF DENMARK 1971/1986 3% UA 25,000,000 Boodholdern ein informed iner fåe Kingdom of Denmark invindis to pre- phy on June 25, 1979 the amount unamorkized (i.e. UA 15,000,000) of 101.75 per cart. Luxerhouleg. April 8, 1979. THE TRUSTEE FINIMITRUST B.A. LONDON BRECK COMPANY LIMITED NOTICE IS NEARBY GIVEN that the Pranter Benefs and Register of Ordinary. Registrant: The General Aumery A Trept Limited. Granty Hense. St. Sordinark Street. Looton SET GIA. CORRECTED NOTICES or State GIA. CORRECTED NOTICES or Bood sambers 2148/50. CLASSIFIED ADVEL	(Signedi D. STOTT, Sprintery.	

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#### perra, or at the above offices.

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Jenders will be officially opened at the offices of the FEA in Lautoka at 15.00 hours on 18 june 1979. A render deposit of \$1,000 will be required to be submitted by

each tenders menosis of ar loss mu to sequence to be submittee up each tenders with his render. The FEA reserves the right to extend the stated date for the Opening of tenders, to traite shy informality in tendering and to relact any or all of the tenders received. The contract will be financed through the World Bank and the

European Investment Bank, and Brockroment under the contract. will therefore be limited to member countries of the World Bank

and Switzerland: Forther, information, regarding the aboye contract, may be obtained from Merz. & Milellan & Partners, North Sydney, Anstralia. Telos AMBERSD AA21126.

#### 1. . . . . . . 11 SEA PORTS CORPORATION PROJECTS DEPARTMENT P.O. BOX 2534 - KHARTOUM Teles No.: 464 (BLAWANI KM) NOTICE CONTRACT NO: KM/1/78 SUPPLY OF FIRE FIGHTING LAUNCH FOR PORT SUBAN 1. The Chairman, Beard of Directors, Sea Ports Carporation, Kharteum, invites Tendarar for the supply of One Harbour Fire Fighting Lausch for Pert Sudan.

2 Details and Specifications can be obtained from the Office of the Sea Ports Corporation, P.O. Box 2534, Khartoum, after payment of ES10 (ten pounds) for one set of details and specifications on submitting 4 written application bearing a 59 m/m Staing Daty. 

2. The closing date fixed for acceptance of Tender in Sudan is Sunday, 26th May, 1979, at 12.00 hours noon.

4. Details, specification can also be obtained from Sudan Government Purphasing Agent, 3-5 Cleveland Row, St. James's, London SWIA 1DB, on payment of 115 (Sterling) by cheque of postal order in fayour of The Sudan Government Purchasing Agent."

Chairman SEA PORTS CORPORATION

#### GOVERNMENT OF MAURITIUS

Ministry of Agriculture and Natural Resources and the Environment

BULK SUGAR TERMINAL -- PORT LOUIS WORKSHOP EQUIPMENT

#### - **TTEM No. 14**

Quotations cloains at 1.38 pm on Wadnesday, Sh May 1979 are invited for the tellowing works for the Bulk Sugar Tarninal et Port Louis. Mauritide, in accordence with the Specification fol Itam No. 14. Itam No. 14 is broken into 30 separato items for the supply or supply and installetter of workshep equipment and questions may be submitted for gave of all sections.

item No. 14 is broken into 30 separate rome toy the supply or supply and installetion of workshep seuropeant and australierie may be submitted for env or all sections. Specifications may be used and the offices of the Concutions fingineers. Mecdamaid Magner & Biddig PY. Ltd., st Port Louis, Mauritius and at North Sydney, R.S.W. Associates and also at the Mauritius Hige Camela-sion. 37/33 Elouator for the second sector and an another the Mauritius Embasery. St Boulevator fleeds: Lapedon, SW7. England, and the Mauritius Entated the second for converting the Mauritius and at the Mauritius Entated the second for converting the Mauritius and the Mauritius Entated the second for converting the Mauritius and the Mauritius Entated the second for converting the Mauritius and the Mauritius Specifications for converting forests. Port Louis, and for converting Macdamate Ry Ltd., 160 Miller Stress, North Sydoy, N.S.W. 2000, Australia. I state the converting the Mauritius may be obstated from Martice Reveal and Mars Bartheling Stress, North Sydoy, N.S.W. 2000, Australia. I state Ry. Ltd., 160 Miller Stress, North Sydoy, N.S.W. 2000, Australia. I state Ry. Ltd., 160 Miller Stress, North Sydoy, R.S.W. 2000, Australia. I state Ry. Ltd., 160 Miller Stress and Analysis of each pet of Dollars in Anather Ry. Ltd., 160 Miller Stress and Analysis of each pet of Dollars in Anather Ry. Ltd., 160 Miller Stress and Analysis and the state edenabled to the Chaigners. Target Board, Millestry el Finance, Port Louis Mauritias of posts indiged for the Teacher Board. Millestry el Finance, Port Louis, Ansountent abstrated for the Teacher Board, Millestry el Finance, Port Louis, Ansounten General Fort Louis. The State Ry Ltd., Chairese, Port Louis, Mauritias or posts from Stress as reach the Chaires, Port Louis, Millestry of Hinance, Port Louis. Mauritius on of before the closing time and date.

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and date. The Tender Roard does not bind itself to sobest the lowest of any tender and will for assign any reason for the rejection of a tender.

Ministry al Apriculturo & Natural Résources & Tad Environment

(a) A separate cheque must accompany each tender. Cheques should be made payable to "Bank of England" and creased "Exchequer Stock". Cheques nust be drawn on a bank in and be payable in, the United Kingdon, the Channel Islands or the tell of Man.
(b) The price tangened must be a multiple of 250 and not less than the minimum tender price. If no price is stated, this tender will be deemed to have been made at the minimum tander price. Each tender must be for one temperature of a stated, the tender will be deemed to have been made at the minimum tander price. Each tender must be for one sumeter and at one price.
(c) II this declaration cannot be made it should be deloted and reference should be made to an Authorised Depositary or, in the Republic of Ireland, an Approved Agent, through whom ledgment should be effected. Authorised Ococeltaries are lested in the Bank of England" Notice EC f and include most banks and ototAbrokets and sofietors practileng in the United Kingdom, the Republic of Ireland's to the Bank of England's Notice EC 10.
(d) The Scheduled Terntories at present compties the United Kingdom, the Cummel lelands, the Island of Man.

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follows:

APPOINTMENTS

Sir Victor Seely, Bart.,

wishes to accounce that he left 117 Old Broad Street on Monday, 3nd April, 1979, as

in two months' time he will be 79 years of age.

He still inlends to carry on

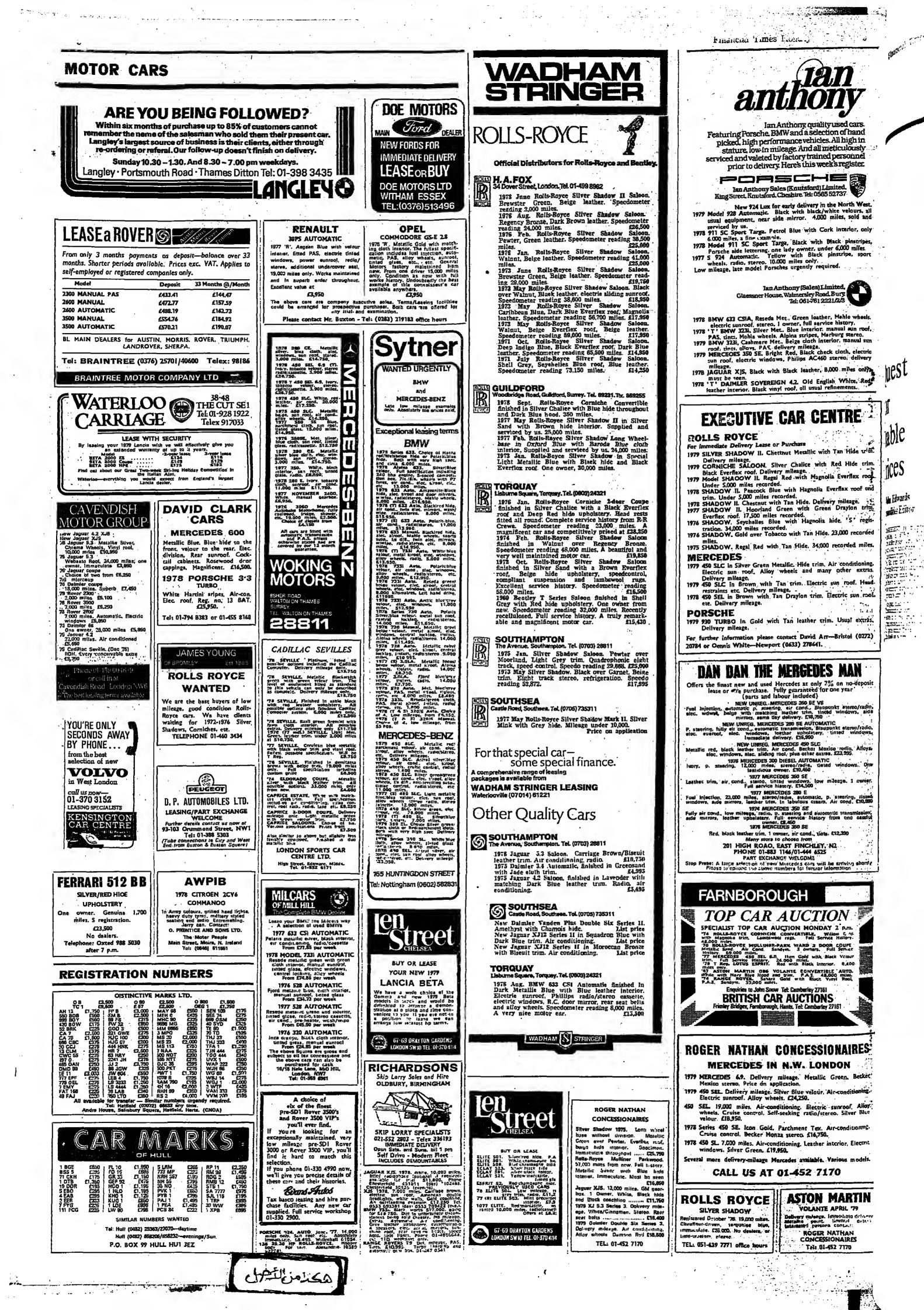
certain work from his home, the address of which is as

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FINANCIAL TIMES SURVEY

Monday April 9 1979

Soft Commodities

This decade has seen some very sharp fluctuations in the prices. of soft commodities, notably sugar, cocoa and coffee. Because of this instability often the result of purely climatic hazards — there is increasing argument in favour of world agreements. But such goals tend to be increasingly elusive.

exporting and at present.

The tin agreement, which has by producing countries led to consumers losing interest.

New efforts are being made to put some positive "feeth into the present framework agreement, but it is likely to HE AGREEMENT last month establish a \$750m UN mmen buffer stock fund was be a hard battle with consumers and producers having", very different ideas on pricing levels. iled as a major breakthrough and commodity price stabili-

.; tion. Yet even the partici-Undermined cants in the lengthy negotiations" admitted the new fund would have little or no direct impact-on the commodity markets for a long time to come, if ever.

Quest

stable

prices

By John Edwards

**Commodities Editor** 

for

Some people indeed think that the introduction of any artificial measure in the free market system creates more rather than less price instability. They see the fund, and the international. agreements that go with it. simply as a means of raising commodity prices to a higher level for the benefit of the exporting Countries funct pan a serious attempt to stabilise the markets.

gramme for special attention, there are agreements betweeen control the market. importing countries for only four commodities - cocoa, coffee, sugar, and tin. None is operational

been in existence for over 20. years, has worked in the past. But it lost control of the market at the beginning of 1978 when its, buffer stock ran out of its putter stock ran out of supplies and prices soared way above the "ceiling" level. Coffee was also controlled reasonably effectively by an agreement in the past, which broke up when unilateral action

The new international sugar agreement; which came into quotas. force in January, 1978, is also facing considerable preblems in establishing any control of the free market. So far the heavy surphis supplies of sugar in the world, the failure of the U.S. to

So far out of the ten "core" tries are tempted to break away. Petroleum Exporting Countries, commodities, picked out under the agreement is likely to have persuaded the U.S. Government the UNCTAD integrated pro- a hard time creating the it might not he a bad thing to become more involved with producing countries. The Carter elaborata structure laid down to Administration took the

The cocoa agreement, which came into force in 1972 after 15 changed attitude a step further years of negotiationa, has so far by adopting a positively favourhad no impact on market prices able stance in favour of comat all. The market has con- modity agreements. sistently remained well above But it has not the price range laid down in enough in the view of But it has not moved far

enough in the view of some pro-ducing countries. At each the agreement, so it has been powerless to act; the only posinegotiating conference the U.S. tive contribution has been the adopted a somewbat bas bnilding np of a large buffer unyielding attitude in pressing stock fund. Now that cocoa prices have price levels and a much bigger fallen nearer to the agree- buffer stock so that future ment's range, there are con- agreements can be far more siderable doubts about the effective in halting, or damping future of the pact, due to expire down, upward price movements in September this year. Nego- as well as stopping prices from

tisticos on a oew agreement falling, earlier this year broke down A major weakness of combecanse of fundamentally dif- modity agreements in the past ferent price ideas between pro- has been their inability to preducers and consumers. These vent prices rising through the bave yet to be resolved, but in "ceiling" price level once a any event any new cocoa pact is shortage situation develops likely to be a very different The U.S. claims this is unfair to animal from the existing agree- consumers and is insisting on ment—it will be considerably bigger huffer stocks so that simplified, relying basically on larger surpluses can be built a buffer stock to control the up in times of abundance to market instead of export offset any future shortages. Naturally producing countries The move towards simpler are none too keen on having agreements, using only a buffer a large amount of supplies tied stock mechanism, reflects the np in this costly way, but the new-round interest of the U.S. extra resources provided by the in commodity pacts, common buffer stock fund Traditionally the U.S. has been should beln.

ratify the agreement and the Traditionally the U.S. has been should help. refusal of the EEC to join have opposed to commodity agree. At the same time the U.S., together undermined efforts to ments on principle, in that they faithful to its support for the push prices even to the mini-mum level of 11 cents a pound mack of cartels. The first offecting of the pact. The facts about raw material modity agreements closer to the supplies, triggered off the market trend. It wants a mov-achieved, before member coun- success of the Organisation of ing reference point, reflecting the natural rubber agreement, the natural rubber agreement, currently being negotiated in Geneva with great bopes of a successful conclusion, may well to the the price ranges in com-ser the pattern: for future com-a large buffer stock to keep prices within an agreed range Traditionally the U.S. has been should help.

LONDON COMMODITY FUTURES TRADING (Turnover in lots) 1976 1977 Cocoa (10 tonnes) 1,711,706 1,147,727 Options 4,190 2,665 Robusta coffee (5 tonnes) 660,188 1,139,185 Options 16,203 13,151 Arabica coffee (17,250 kilos) started January 1978 Rubber (15,000 kilos) 60,475 59,092 Options 3,934 2,527 Rubber (5,000 kilos) 1,707 4,043 Sugar (50 tonnes) 857,567 773,398 Options 24,183 30,372 White sugar (50 tonnes) started October 1978 Soyabean meal (160 tonnes) 37,864 38,369 Options - 242 Greasy woel (1,500 kilos) 13,501 4,488 Crossbred wool (2,500 kilos) started July 1978 Estimated value £29bn £46bn				
(Turnover in lots)           1976         1977           Cocca (10 tonnes)         1,711,706         1,147,727           Options         4,190         2,665           Robusta coffee (5 tonnes)         660,188         1,139,185           Options         16,203         13,151           Arabica coffee (17,250 kilos)         started January 1978           Rubber (15,000 kilos)         60,475         59,092           Options         3,934         2,527           Rubher (5,000 kilos)         1,707         4,043           Sugar (50 tonnes)         857,567         773,398           Options         24,183         30,372           White sugar (50 tonnes)         started October 1978           Soyabean meal (160 tonnes)         37,864         38,369           Options         -         242           Greasy woel (1,500 kilos)         13,601         4,488           Crossbred wool (2,500 kilos)         started July 1978	LONDON COMM	ODITY FU	TURES	
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1976         1977           Coccoa (10 tonnes)         1,711,706         1,147,727           Options         4,190         2,665           Robusta coffee (5 tonnes)         660,188         1,139,185           Options         16,203         13,151           Arabica coffee (17,250 kilos)         started January 1978           Rubber (15,000 kilos)         60,475         59,092           Options         3,934         2,527           Rubher (5,000 kilos)         1,707         4,043           Sugar (50 tonnes)         857,567         773,398           Options         24,183         30,372           White sugar (50 tonnes)         started October 1978           Soyabean meal (160 tonnes)         37,864         38,369           Options         -         242           Greasy woel (1,500 kilos)         13,601         4,488           Crossbred wool (2,500 kilos)         started July 1978	• • • • •			
Options         4,190         2,665           Robusta coffee (5 tonnes)         660,188         1,139,185         1           Options         16,203         13,151         1           Arabica coffee (17,250 kilos)         started January 1978         16,203         13,151           Arabica coffee (17,250 kilos)         started January 1978         16,203         13,151           Arabica coffee (17,250 kilos)         started January 1978         16,203         13,151           Rubber (15,000 kilos)         60,475         59,092         0902           Options         3,934         2,527         1,707         4,043           Sugar (50 tonnes)         857,567         773,398         0           Options         24,183         30,372           White sugar (50 tonnes)         started October 1978         37,864           Soyabean meal (160 tonnes)         37,864         38,669           Options         -         242           Greasy woel (1,500 kilos)         13,601         4,488           Crossbred wool (2,500 kilos)         started July 1978			1977	••
Robusta coffee (5 tonnes)         660,188         1,139,185         1           Options         16,203         13,151         16,203         13,151           Arabica coffee (17,250 kilos)         started January 1978         16,203         13,151           Arabica coffee (17,250 kilos)         started January 1978         60,475         59,092           Options         3,934         2,527         80,934         2,527           Rubher (5,000 kilos)         1,707         4,043         857,567         773,398         0           Options         24,183         30,372         90         90         90         90           Sugar (50 tonnes)         started October 1978         90         90         90         90           Soyabean meal (160 tonnes)         37,864         38,669         90         91         92         92           Options         -         242         60         13,501         4,488         13,501         4,488           Crossbred wool (2,500 kilos)         started July 1978         978         978				. 1
Arabica coffee (17,250 kilos)         started January 1978           Rnbber (15,000 kilos)         60,475         59,092           Options         3,934         2,527           Rnbher (5,000 kilos)         1,707         4,043           Sugar (50 tonnes)         857,567         773,398           Options         24,183         30,372           White sugar (50 tonnes)         37,864         38,669           Options         -         242           Greasy woel (1,500 kilos)         13,601         4,488           Crossbred wool (2,500 kilos)         started July 1978	Robusta coffee (5 tonnes)		1,139,185	
Options         3,934         2,527           Rubher (5,000 kilos)         1,707         4,043           Sugar (50 tonnes)         857,567         773,398           Options         24,183         30,372           White sugar (50 tonnes)         started October 1978           Soyabean meal (160 tonnes)         37,864         38,369           Options         -         242           Greasy woel (1,500 kilos)         13,601         4,488           Crossbred wool (2,500 kilos)         started July 1978	Arabica coffee (17,250 kilos)	started Jan	nary 1978	•
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Greasy wool (1,500 kilos) 13,501 4,488 Crossbred wool (2,500 kilos) started July 1978	Soyabean meal (160 tonnes)	37,864	38,369	
	Greasy wool (1,500 kilos)		4,488	

changes in the market prices, round a central reference point with flexible bands both above but with a guaranteed "floor." with flexible bands both above and below when buffer stock action is triggered off. However, the U.S. appears to

have yielded to the insistence ties, although it is likely to be by producing countries on a a very long time before pacts guaranteed "floor "below which for copper, cotton or tea will prices cannot fall. It claims a emerge. The failure of the sufficiently big buffer stock can ensure this, but other countries are far from sure-pointing to the example of the tin agreement where export gootas have proved to he the only really effective means of preventing interests involved. prices sinking too low. Nevertheless it appears that

the natural rubber agreement, fluctuating, supplies.

tions leading to costly permanent surpluses—somewhat like those in the EEC—as prices. 982.631 are pushed too high. Lack of excitement took its toll on "soft": (non-matal) Lou-830,308 7,945 don commodity futures market during the past year. Turnover fell in all the markets with the 90,190 1.248 exception of rubber. The price 3 209 falls in cocoa and coffee, after

692.834 the heady heights reached in 1976 and 1977, and continued depression in the world sugar 11,021 10,739 27,804 731 519 market, explain the downturn in turnover. But more disap-pointing was the failure of the soyabean meal futures contract £60bn to build up further and tha virtual demise of wool futures after a new effort to launch a crossbred wool contract,

A new "white" sugar market has been successfully added to It can be expected that new agreements will be negotiated the somewhat out-of-date London world raw sugar futures for the other ".core" commodicontract. But otherwise prospects for expansion of the Exchange with new markets look none too promising. The possibility of a potato futures contract is being studied but negotiations for a new wheat agreement-not one of the ten core" commodities specified appears to have missed the UNCTAD-also underlines boat, with prices having sunk to the difficulty in bringing together the many and diverse depressed levels and the likelibood of a new Common Market potato regime stabilising the market in the years ahead. Commodity merchants and

brokers are by nature of their Shelved

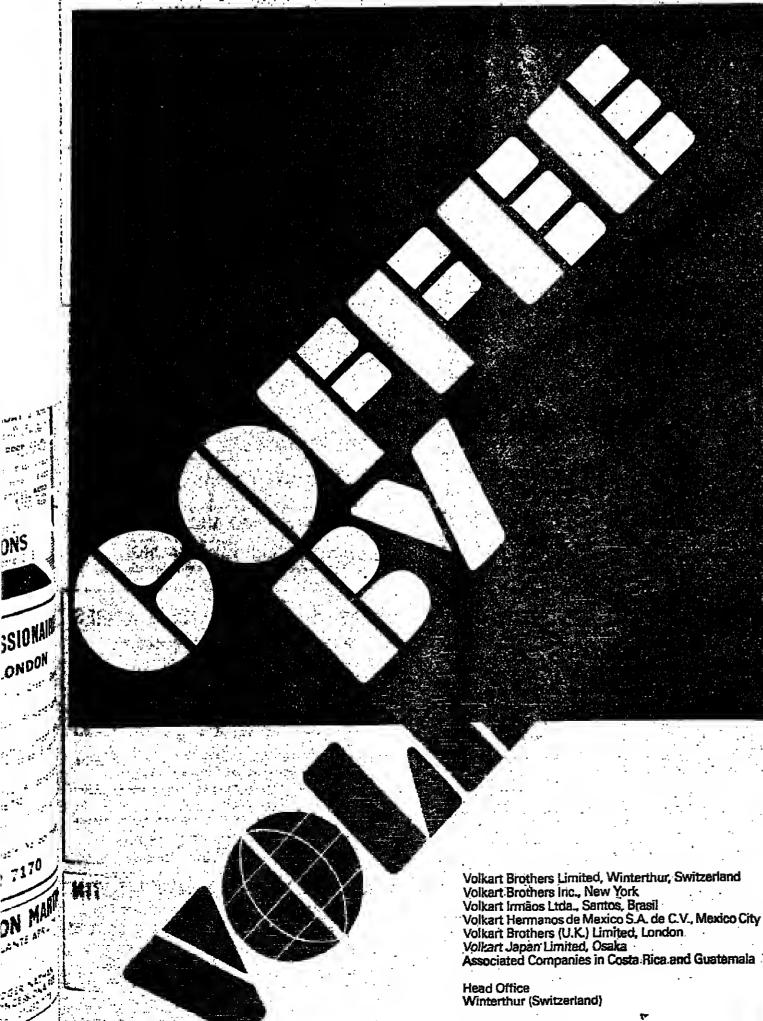
business basically opposed to price stabilisation. They, after all, do best when markets are The long discussions on a tea and especially when shortages force consumers to pay high prices on the free market to obtaio

They argue that without the market in the U.S., have also stimulus of free market forces, been shelved for the time being commodity agreements at least. Option trading was also could result in stagnant condi- hit by the ban in the U.S.

Nevertheless the London markets have made ground on the more speculative New York equivalents, as a result of their greater flexibility and solid trade support. Tha rise in the value of turnover to \$60bn last year is largely an artificial figure, including both purchases and sales, and reflects mainly the reduced value of money.

But it does give some idea of the sizeable daily transactions on the London commodity markets, to which have to be added the buge sums traded on the Metal' Exchange, and mirrers the growing popularity of the commodity futures markets, with funds seeking protection against currency uncertainties and inflation fears. For the moment the metals are enjoying the blggest support, but "soft" commodities are likely to coma back into favour once the main markets overcome their present state of surplus supplies and depressed prices.

Plans to establish a World Commodities Centre in London. and attract the new UN Common Fund to the City, will have no direct effect on the futures markets since the centre is in-tended to accommodate the international commodity organisations and not the markets. But it will help keep London in the forefront of the internafutures contract are monthaining, but so far with no positive with all the benefits this brings.



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# Prices remain depressed

SOFT COMMODITIES II

AN OLD market adage says that them to \$2.5 per cent of total no the difference to its growers posing a penal layy on iso-ments, so it makes doubly good agreement, could change the the lime to buy is when prices allocations and so far these between the high EEC price glucose has been thrown out by sense for Brazil to use its situation guite quickly. The are depressed. If this is true, bave been honoured by the and the world market price, then sugar must be the best bet member countries. The effective- Although the EEC has so in the commodity markets at ness of the agreement has been present

SUGAR

undermined, bowever, by the buge world surplus. Consumers World sugar prices have been stuck during the past year in a range between £81 to £114 a increased stock levels prior to the agreement coming into force tonne-a level uneconomic for and bave little or no incentive to buy increased amounts at even the most efficient sugar present. The agreement has also been

producers and a far ery from the heady beights of £650 reached during the great sugar shortage in 1974. handicapped by the fact that it has yet to be ratified by its most Ever since 1974 world proimportant importing member. duction of sugar has outstripped demand, leading to the build-up the U.S. Legislation to ratify the part, enabling the U.S. 10 make its contribution towards of huge surplus stocks that have sn depressed prices on the free the financing of surplus stocks held off the nigrket, has been market. There are hopes that in the current 1978/79 season supply and demand will he delayed by Congress hy a bilter wrangle over domestic sugar policy. Until this is settled the roughly in balance at around U.S. cannot play a really posi-92m tonnes, with possibly a small deficit. But hanging over tive rule in making the agreement work. the market are world stocks of

Another major beadache is that the Euronean Community over 30m tonnes, which should take many years to clear unless has refused to join, and conthere is a major crop disaster in linues to pay heavy subsidies to dump its surplus sugar on the world market while an Important producing area. So far the International Sugar Agreement, which provisionally 1SA countries are restricting come into force at the basin-ning of 1978, has me' with ittle their exports. In the 1917-18 success in its objective of raisseeson the EEC sold some 3m ing world free market sugar tunnes of surplus white sugar nrices to a minimum level of on the free markel, naying out subsidies of well over £100 a thore-more than the price of 11 cents a pound. It has imposed the maximum

£ per tonne

600

560

400

300

288

1974

1975

1976

cut in export quoias, reducing the actual sugar sold-to make

London Daily Price

1977

1978

Although the EEC has sold it will consider joining tha agreement in duc rousse, this is unlikely 10 happen before whole Community sugar the

policy comes up for review in 1980. Meanwhile EEC beet growers are trying to step up plantings in order to qualify for the biggest possible quotas when the regime is renewed. The fear is that sugar producers in the agreement may grow impatient with the behaviour of the EEC-and the

U.S.-and decide to go it alone. The longer term fear is that so many producers will be driven out of business by the uneconomic price levels that another shortage will develop in the years shead.

Lurking in the background, however, is the increasing com-petitive threat from the high-

Although further curbs.are proposed, it seems that a rise in isoglucose sales is inevitable. The major threat from

isoglucose syrup, bowever, is in the U.S., where it has already gained a sizeable share of the sugar market. The syrups are made from maize (corn) which is in plentiful supply in the U.S. and the sugar market there is more concentrated on industrial uses-where isoglucose can compete more effectively. Only the low level of sugar prices has prevented further inroads.

Nevertheless, the outlook for sugar is not all gloomy. For a start, a significant new outlet

measura of last resort for sugar fructose maize syrups (known growers since the price paid as isoglucose in Europe). If was very low. But the steep rise U.S., and world, moves to raise in the cost of oil, and the moves sugar prices are successful this to replace petrol with alcohol Caribbean could open the door for iso in cars, has totally changed the countries. of the sweeteners market, A more by the EEC commission of oil are the main hurden on policy in the U.S. enabling rational trading activity will, sion to kill the threat by im- the country's balance of pay- fication of the international John Edwards

the European Court of Justice. domestic sugar resources. Although further curbs are pro- A really determined effort to develop the sugar-into-alcohol industry is being made both in Brazil and other countries tike

the Philippines. Once the investment bas been made there will be no turning back and it could. well mean a considerable reduction in exports from these countries in the years ahead. New uses for sugar-to take advantage of its energy properties-arc being developed as

well, including its manufacture into chemical form for making detergents, At the same time history has whites contract, London thinks shown that gross surpluses of it can do bettee in meeting, the sugar, as well as shortages, can quickly disappear on the free against price fluctuations in market, which only accounts for whites, which always move in some 18m tonnes of the total sumed domestically or traded under special agreements such event the introduction of the as the Lome Convention whites contract has broadened between the EEC and African, the base of the London matter Caribbean .

2m tonnes reserve stocks held off the market by agreement members would then assume a

much more significant role and enable prices to be pushed up to more reasonable levels. Meanwhile, although trading conditions on the Loadon world sugar terminal market remain

Financial Times Monday April 9 1979

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very dull, turnover has kept up surprisingly well. The introduction of a white sugar market in October bas got off to a slow but steady start, much to the chagrin of the Paris market, which previously had the world's othy growing demand for bedging a direction different from the

Comparative turnover figures suggest London is right. In any and . Pacific considerably and this could he of great benefit in the future

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RUBBER

# Revival of interest

is a political

INTEREST supplies develops in It is a difficult situation. Foreyear as the asters, including the World Bank, predict that there will be drums created by sluggisb a shortage of natural rubber in demand. Turnover on the the 1980s unless producers expand output now, But growers know from bitter ex-perience in the past that 1-spot, first in Nuremincreased output can often simply result in lower prices and at the moment palm oil output in Malaysia, for example, is

has a strong underlying trend rather more profitable. How-in that it is superior to the ever, if output is not increased synthetic competitor in some now, then natural rubber may by defauk give away sales to its synthetic competitor in future years.

among consumers about future supplies of oil-based synthetic nubber in view of the considerable problems facing the oil

in the cost of oll, but this dues

in western parts of the U.S. and in Mexico. This is not industry. U.S. and in Mexico. This is not Synthetic rubber prices are thought to be economically vishle at present, but 11 might become so if rubber prices rose

too high. There

considerably on continued cur- natural rubber must be good. reney and inflation uncertain- There Is certain to be reduced iles; the prospect of a major competition from synthetic rub strike in the U.S. tyre manu- ber, as scarce oil supplies are ber, as scarce oil supplies are facturing and haulage indus- diverted to other uses; and-detries; and the possible cutback mand for the natural product in buying by China as a result should continue to rise substanof the slowing down of its indus- tially in the years abead as quality standards improve. trial expansion programme.

J.E. But the long-term outlook for 2 27 GILL& DUFFUS GROUP

TRADING natural rubber has revived during the past market emerged from the dol-London futures market rose sbarply last year, and prices rose to a peak of 64p a kilo for RSS No. ber and then in February this wear.

Demand for natural tubher importaut and expanding markets—notably radial and heary duty tyres. At the same importaut and

A new threat comes from the U.S. which plans to develop rubtime there is apprehension ber production from the guavule plant, found in plenulful supply

virtually certain to go up again llowing the recent further rise

for sugar is developing in its

mannfacture as alcohol. Pre- world output of over 90m raw cane sugar prices, viously this was a desperate tonnes. The rest is either con- Comparative turnover

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incentive for the U.S., which is reluctant to depend too much not necessarily mean a bonanza for natural rubber producers. a start the higher oil price on supplies from the Far East, also hits natural ruhber growers hard, inflating the costs of transport, machinery and money. There is also the fear where the Communist bloc infinence has been huilding up sleadily since the end of the Victnam war; that as in 1974 the threalened scarcity of oil could give rise in A more practical threat has been removed, bowerer, by the changed attitude of the U.S. a worldwide industrial recession hringing reduced demand for all stockpile outhorities to rubber. types of rubher in its wake. Nevertheless the long-term pros-Under the new strategic objectives supplies of rubber peet for natural rubber recaptorheld by the stocknile shnuld be ing some of the markets lost to its synthetic competitor in the built up rather than decreased hy sales, as in past years. Squabbles in Congress have last two decades must be good. Rubber growers are hoping that the negatiations for an international rubber agreement considerably delayed the new objectives of the stockpile being confirmed and acted upon. But between exporting and importit scems ecrialn that in the ing countries will bring some future the U.S. stockpile is form of stahility to the market likely to be a buyer of rubber, and allow them to expand pro- rather than a seller as in the ducion withou the risk of drivpast. In the shart term rubber

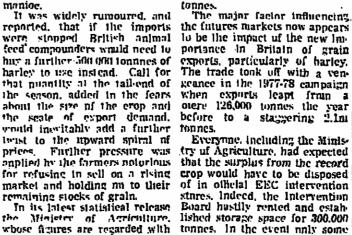
ing prices down to uncconomic. In the shart term rubber levels if a temporary surplus of prices ore likely to fluctuate

# GRAINS Exports call the tune

THE LONDON grain futures Going even further, the Minis-markets were shaken out of its has reduced its forecast of their moribund state earlier this total grain exports in the cur-Coing even further, the Minisrear as rumour spread rapidly reur campaign. The early esti-around the trade that the male of L81m tonnes to be Ministry of Agriculture had shipped abroad has been cut by overestimated the 1978 British 410,000 toures. The bulk of the barley crop by as much as in reduction is in harley exports, ronnes and that dealers in the now thought to be only L15m booming export market were tonnes compared with the having trouble covering their earlier estimate of 1.5m. In the only opparent couces-

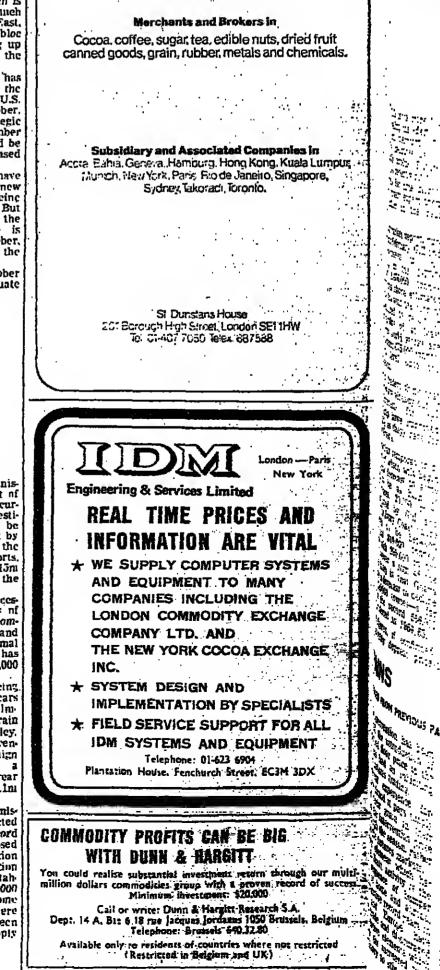
There was also considerable sion to the unlied opinions of concern about impending action the trade and agricultural comby the Common Market Commis- muoity, the estimate of demand sion-now taken-designed to for barley from the UK animal curb imports into Britain nf feed compounding industry has cereal substitutes containing been raised by a modest 25,000 tonnes.

commitments.



atmost suspicion by the trade 20.000 tonnes of barley were and farmers, maintains lis view hought in. This has now been that last year's harley harvest sold and the stores are clopic cielded In.on tonnes. 84210

CONTINUED ON NEXT PAGE



SOFT COMMODITIES III

# SOYABEAN MEAL Trade in futures still sluggish

for beans.

THE LONDON soyabean meal futures market, established after much heart-searching in 1975, is still failing to live up to the optimistic expectations of its backers. It is plodding on and, according to its main sponsor the Grain and Allied Feed Trades Association (GAFTA), still providing a valuad service. But trade is sluggish and lack-ing in the "excitement" which attracts so much attention to the futures markets dealing in the more volatile commodities.

GAFTA has recently been making considerable efforts to arouse interest in the market in France, Holland and Ger-many, and officials admit that the lack of Continental par-ticipation has been disappoint-ing. Bnt, they add, tha market is still relatively new, and they remain confident that in a few -years there will be far greater 'The market bas survived 'USA this fist period extremely well, and if it can do that we are snre it can survive in the future," a apokesman apokesman commented.

The main reason for the lack of activity in the market lies In the inherent stability of supplies. World production and trade in soyabeans and meal are dominated by the U.S., which, barring disastrous climatic np-sets, can generally be relied on to produce ample crops regu-Jarly.

: There seems to be only the remotest possibility of a repeat of the circumstances of 1973 remotest possibility of a repeat Exports of beans and mean rof the circumstances of 1973 from the three main producing when the U.S. Government was forced to impose an embargo Argentina--should climb to on exports. Theo, a combina-tion of factors--including a equivalent, a new record and small crop and massive buying up 6 per cent on the 1977-78 by the USSR which took the ycar. world by surprise-sent prices

COCOA

Government operates a system August. But this may not now of incentives and disincentives prove to be so severe in where necessary to keep plant-ings of the crop well in line with expected demand.

where necessary to keep plant-ings of the crop well in line with A cumbersome but effactive monitoring system bas beco established to ensure that no major buyers can in future spring uopleasant surprises on the world market. This year, heartened by fore-casts of sustained world demand, U.S. farmer are ex-pected to raise their soyabean acreages by between 4m-6m acres, making the crop the most in the wole country. At least half and possibly two-thirds of In contrast with GAFTA's acreages by between 4m-6m acreages by between 4m-6m acreage be around 400 lots of 100 tonnes, the current average is running 'around 100 lots. land nsed last year for maize.

"The soyabean msrket looks very bright," Mr. Bob Bergland, U.S. Agriculture Secretary, said last month. "Export demand looks very strong."

per cent increase in U.S. demand for soya oil.

# Records

According to the U.S. Depart-ment of Agriculture (USDA), world production and trade in soya will reach new records this season. Global output should be around 80m tonnes, up 8 per cent, though the dronghts in Brazil earlier this year may have cut this back by 2m to 3m

Exports of beans and meal Earlier this year USDA was

rocketing. Now, while the weather re-mains as fickle as ever, the U.S. and Argentina between May and of

view of the losses in Brazil.

His optimistic forecast, made in the knowledge that output in the rest of the world is also expected to climb 19 per cent, reflect the rising demand at home and sbroad for protein animal feeds and bopes of a 5

tonnes.

cent bigher than a year earlier. In December last year the U.S. hreeding herd was 11 per cent higher than in December 1977. and in the European Community

climbed 3 per cent in the past 12 months. Mr. K. Bader, chief executive the

Association, recently forecast that Russia would "fairly soon" be entering the soya market " in a big way." He also predicted a steady rise in demand for U.S. produce elsewhere in the world. The Middle East and South East Asia were thought to be the most promising growth areas.

While the U.S. remains far and away the biggest producer of soya, with a huge domestic market to supply as well as the giant's share of world demand, the Latin American growers, notably in Brazil, have made great strides in the past 10 years.

Happily, the production and marketing seasons in North and demand will in any case be strong because of the expansion in meat production there. South America mesh neatly, with Brazil active early in the The bigh prices of grain in the EEC will also help to ensure that soya remains strongly year and the U.S. taking over later.

There is still enormous scope for expansion in Brazil in spite of the danger of drought in the competitive in the animal feed market, while expanding crushing capacity in Enrope main growing areas which has severely damaged yields in the will continue to raise demand past two years.

Import demand in the main soyabean mesi markets around There are an estimated 150m acres of savannah land in the Cerrados which are barely used the world is forecast to rise 1 per cent, while call for beans will climb as much as 10 per at present. Plans are progresscent, USDA says. The main factor behind the cultural production, switching strength of world markets for away from the traditional ranga cattle rearing and into soya and this flexible protein is the other crops.

steady build-up of meat produc-tion in Europe, the U.S., Russla The World Bank recently preand other parts of the world dicted that within eight years soya would become Brazil's "star" crop, accounting for where increasing incomes and soya would become Brazil's dictary sophistication are rais-ing demand for beef, pork and more than 20 per cent of all brazilian exports. It forecast In Russla, which bss ambi-tious long-term plans for rais-almost double to 6.6m tonnes a ing meat output, the January year by 1985. Sorabean meal census this year showed the sales abroad would grow even national pig herd was 6 per more, from 3.5m tonnes in 1977 to almost 12m tonnes.

In the current season USDA forecasts Brazilian exports of beans at 1.7m tonnes compared with 20.6m tonnes from the U.S. pig numbers have Soyameal exports are put at 6m tonnes compared with 5.7m tonnes from the U.S.

Chris Parkes

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World stocks continue

American Soyabean

# to build up

THE WORLD cocoa market is currently feeling the effects of what Londoo merchants Gill and Duffus describes as "a very palpable surplus." Futures market prices recently hit their lowest levels for nine months and many traders expect them to fall further in the near future.

In its last market report, published in mid-February. Gill and Duffus estimated the net world crop in the 1977-78 season at 1.476,000 tonnes, 118,000 tonnes above estimated grindings. And with the current season expected to result in another surplus of at least 43,000 tonnes world stocks are forecast to reach 475,000 tonnes, the highest level since the 1971/72 season.

But many traders think that substantially, as thayy have for the Ivory Coast's.

The Brazilian temporan crop. barvesting of which will begin harvesting of which will begin soob, is now forecast in some duarters to be as high as 180,000 tonnes, 30,000 more thao indicated by Gill and Onffus. The Ivory Coast figure is believed to be between 305,000 and 310,000 tonoes, compared with 295,000 in the report. However a sign of the transfirst inter is that Ghana changing times is that Gbana production is forecast to decline te only 255.000 tonnes—a far try from the record 566,000 tonnes produced in 1964/65.

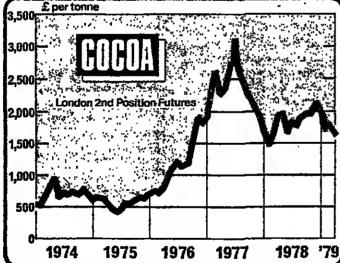
With more cocoa being ground These figures, if confirmed, and processed in producing will inevitably depress pricescountries and consumers import-

# GRAINS

#### CONTINUED FROM PREVIOUS PAGE

While intervention has been little used, the introduction of A guaranteed floor price in the market has had an inhibiting

effect on futures trading. In recent experience farmers bave found it pays simply to bold their grain in their barns as the intervention price rises through the season, rather the physical grain trade. Turnover, however, reaching a peak of 79,094 lots of 100 tonnes each in 1975/76 has fallan subsequently. In 1977/78 tournover declined to than use the futures markets. Another element which has tended to limit activity is the present sequence of bumper harvests at home and abroad. Two consecutive record years in Britain and Europe bave flattened trade and discouraged the speculative elements which to build up rapidly again. can spark the increased turn-over necessary to stir up trade



could go as low as £1.450 as and therefore tend to boost consumption. But most market observers believe nevertheless ing more cocoa products, grindings figures provide 2 less reliable guide to demand in that the 1978/79 world cocoa surplus will be substantially higher than the 42,000 tonnes indicated byy Gill and Duffus Individual consuming coontries than before. But they are still the best available indication of total consumption. In the 1977-78 season total in February.

Bigger-than-expected crops provide only half the explana-tion for the depressed mood of world grindings are estimated to have slumped to 1.36m tonnesthe market, bowever. There is general disappointment that the decline in world cocoa bean prices from the peak of over £3,000 a tonne reached in 1977 bas not resulted in a more substantial improvement demand.

interest. Still, in the 15 years since they were established the barconsumers registered rises in 1978. At 72,410 tonnes UK grindlogs were 3.8 per cent below the 1977 total. ley and wheat futures markets have become well established But grindings in the final quarter of 1978 were 14.8 per and widely used as hedging markets with close links with

after

quarter of 1978 were 14.8 per cent bigher than in the corres-ponding period of 1977 and this trend is expected to continue. In February Gill and Duffns forecast total wolrd grindings in 1979 at 1,379m tonnes, 12,000 more than in 1978. 66.101 lots but this is still more Such a modest rise

than double the trading activity unlikely, however, to alter the basically "bearisb" mood of only a few years ago. It would only need a new supply crisis new supply crisis basically destribution of the market. Most London dealers expect the cocca price to decline below £1.600 a tonne before long and some suggest it in the grain market for interest

further pressure is applied by continuin gaales of Brazilian besns.

The latest consumption trend indicators did little to dis-courage this view. U.S. January cocoa and confectionery sales figures showed a large decline to 123m lbs, from 163m ln the same corresponding month of last year.

U.S. first quarter grindings are expected to show a slight rise but this is mainly due lo a forecast decline in imports of cocoa liquor.

The forecast rise in the U.S. grind is expected, moreover, to be offset by marginal declines in European consuming countries.

If predictions of a substan-tial fall in prices are borne out producer pressure for internationally-organised price stabl lisation measures can be expected to increase.

The mechanisms of price stabilisation are already in existence in the International Cocca Agreement negotiated in 1975. But the dramatic rise in the world cocca price since

this pact was thrashed out has left its economic provisions way

behind. The pact defends a minimum price of 65 cents a lb, whereas the world price is currently around 150 cents a lb.

13

Tound using Tt-USSR) declined hy an average of 3.7 per cent. This was mainly the result of an 11.5 per cent iall to 162,660 tonnes in the USSR) declined hy an average of 3.7 per cent. This was mainly the result of an 11.5 per cent iall to 162,660 tonnes in the USSR) declined hy an average of 3.7 per cent. This was mainly the result of an 11.5 per cent iall to 162,660 tonnes in the USSR declined hy an average of 3.7 per cent. This was mainly the result of an 11.5 per cent iall to 162,660 tonnes in the USSR declined hy an average of 3.7 per cent. This was mainly the result of an 11.5 per cent iall to 162,660 tonnes in the USSR declined hy an average of 3.7 per cent. This was mainly the result of an 11.5 per cent ing countries (argument the USSR declined hy an average of 3.7 per cent. This was mainly the result of an 11.5 per cent ing the transe the major onsumers registered rime onside The gap between and consume-conside wanted the minimum price to be set at 186 cents a pornd and the meximim at 326 while the consumers argued for a 74-111 cents a pound range. These sre the prices at which the buffer stock manager would be required to buy and sell cocoa to keep prices within the range.

range. Delegates at the meeting confirmed later that new talks would be beld before the expiry of the pact and some seemed surprisingly optimistic. International Cocoa Organisa-tion sources said they thought an agreement could have been thrashed out had more time been available been available

Richard Mooney

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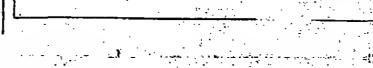
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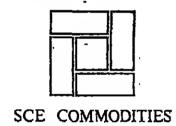
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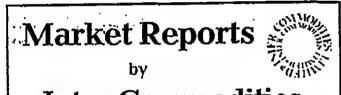
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# COFFEE Market coming back into balance

every

AFTER SEVERAL years of 10 a claimed 6m by the 1975 which bave been limited to ing nations calling themselves frantic activity the world coffee frost. Last year's crop was about about 12m bags in recent years, the "Bogota Group" has re-market is at last beginning to regain some semblance of Coffee Institute (IBC) forecasts this could cause problems for normality. Early last year the group

Following

organised

The

most London traders think 16mthe famous Brazilian frost of 1975, fluctua-17m would he nearer the mark. tions on the London coffee futures markets reached un-But the trade is more hopeful about the 1980-81 season. precedented levels. In 1976 there is no frost or drought nearhy delivery prices ranged hctweeo £800 and £3,000 a tonnc damage this year production in 1980-81 could be as high as 28m and in 1877 between £1,500 and bags, according to some London £4,200. Last year was quieter with a  $\pounds1,000/\pounds2,000$  range and this year the pendulum has merchants.

## Threat

slowed still further. Having fallen marginally helow £1,300 in February the May delivery Frost is a perennial threal to the Brazilian crop but it appears price is currently near the year's to be especially at risk peak of £1,474.5 a tonne. three years or ao. And follow-ing the worst-ever damage in But producing countries are anxious that the underlying downward trend should not be 1975 the next serious frost came hang on schedule last August. Happily the damage seems to allowed to erode too deeply into the price advantage they won as have heen relatively minor this a result of the Brazilian disaster. time. The IBC puts losses from the 1979-80 crop (frost has a Pressure for internationally price stahilisation delayed effect as it destroys the measures is stronger than ever flowers, not the developing heans) at about 3.2m hags and and one producer group-the Central Americans-has taken many traders feel this is an the law into its own hands by engaging in direct market exaggeration. More serious for the Brazilian

manipulation. The world supply/demand coffee growers was last year's prolonged drought which limited balance is almost back to normal the size of the beans and thereaccording to recent estimates. fore the weight of the crop.

Even with Brazil hack into full-scale production the world International Coffee Organisation (1CO) projects exportable production in the coffee market is likely to remain 1978-79 season at about 58.48m bags (60 kilos cach). This would fairly nervous. This is because of the low level of stocks. At the beginning of 1975 Brazil held over 30m bags of coffee he close to the pro-1975 level and compares with 39.2m hags beans in stock but this reserve in 1975-76. With prices declining, world

demand has also recovered significantiy. Imports, which slumped from 55m bags in 1876 to 41.5m in 1977, are estimaled the ICO to have climbed back world prices to 50.2m last year.

So largely due to increases in of its exports. If the optimistic Brazil, where the 1976 crop was projections for the 1980-81 crop cut from an expected 27m bags prove correct Brazil's exports.

stepped up production to fill the temporary gap left by Brazil. Chief among these is Columbia, the world's second Īf higgest producer. Before 1975 Colomhia waa producing 8-9m bags of coffee a year and exporting 6-7m. But production has since heen raised to about 11m

hags and exports to 8-9m. The increase in potential Latin American arabica coffee.production has heen partially offset hy a fall in African rohusta coffee output because of proctical and political difficulties. Latest guesstimates put total African production in the current season at ahout 13m bags compared with 15m a few years ago. But it is shipment difficultics caused deteriorating roads and lahour troubles at the ports which are causing the main prohlems

The Ivory Coast seems to he the only progressive coffee pro-ducer on the African confinent and its current annual production of about 4m bags makes if a clear leader in output terms. With a clear over-supply situation threalening it is

hardly surprising that the workd's coffee producers are becoming increasingly obsessed with price stabilisation-generally used as a suphemism for price rises. But the consumer countries have so far resisted the pressure. Following the uproar over rocketing retail coffee prices during the supply crisis moves that would help push prices up again would not win many votes in consuming countries.

some producers bave sought to support world market prices through their own endeavours. A grouping of eight Central American coffee produc-

SOFT COMMODITIES IV

Early last year the group agreed to impose an export ban "until coffee prices rose to remunerative levels." But the ban had no discernible effect (it is doubtful that it was faithfully observed hy the group's members). It had been officially abandoned by the time that ket in the last few months. early Brazilian frost scares be-

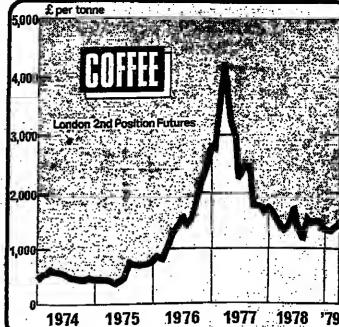
gan to boost prices. When the froat season was over and prices subsided the Bogota Group rejoined the hattle, hut this time with a new stralegy. They announced that they had formed a \$140hn price support fund with which they inlended to jotervene in interwhen prices appeared to them to he falling too quickly.

This plan was received rather sceptically by the coffee trade which regarded it as little more than a new "puff of wind from the producers.

# Carried

But the scheme has in fact been carried through, with no effect on world prices. little Initially tha Central Americans bought nearby futures with dramatic but short-lived results in terms of prices. More recently, however, they have adopted a more canny policy of huving more distant positions. This strategy, though less spectacular in its short-term effects, has the advantage of heing less obvious in operation and is more cost-effective since it does not involve the producers in bolding physical coffee. High forward prices tend to support the nearbys and the producers

others think the floor should be set at \$1.80. There seems very little prospect, however, of conare able to cancel out their holdings without taking delivery sumers accepting a floor price at anything like these levels. Supply and demand is fairly at relatively little cost



The activities of the Bogota Group are generally regarded as the maio reason for the rela-tive firmness of the coffee mar-But in the longer lerm the

producers are keen to enlish the hacking of the conaumers the backing of the condumers for a co-ordinated price stabilisation policy. Various plans for achieving this were being discussed by both sides at the London headquarters of the ICO last week.

One option is the formation national coffee futures markels of an internationally held coffee stockpile. But though this idea has been atrongly canvassed h some producers, notahiv Mexico Here's what you it is unlikely to find favour with the consumers, who see it as cosily and difficult to manage. A more likely plan is the re-adoption of the old quota should know

floor price should be fixed.

halanced at the moment

need protection against a new

round of price escalation in the event of another major crop

disaster, while growers could bo threatened with diminishing returns resulting from a steady build-up in total production. It

should not be impossible to

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**EXPERIENCE** 

exports.

system. Under this each producer would be granted a quota. based on previous export perabout coffee. formance, which would come into effect if prices fcll below an agreed "floor" level. While prices remained above this level Coffee-one of the most there would be no limitation on

popular beverages anywhere. Stimulating with its caffeine, pleasing with its delicious aroma, The difficulty about this, bow has conquered the world. ever, is that producers and con-

IOEE KAFFEE-famous as the sumers have very different ideas about the level at which this coffee chat's easy on your digestion -has won acclaim in most of Some producers have called for a minimum price of \$1.50 a lh, about 15 cents above the Europe as well as overseas.

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IOEE KAFFEE-a pure coffee made of coffee beans that lacks nothing of what makes coffee the wonderful drink it is. here's only one IOEE KAFFEE. and the time would appear to be right for some sort of com-

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was virtually exhausted to keep shipments up following the frost. Any further scrious hlow to production could have a very sharp and immediate effect on 50.2m last year. The recovery in production is build its stocks al the expense

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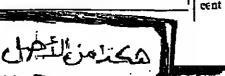
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Some of the delegates at the preliminary session of the International Coffee Organisation meeting in Lordon last September.

Brisk recovery in UK instant coffee sales

THE UK instant coffee market retailers' own brand names) and cent as prices escalated and sur- Continent, however, as reast has made a remarkable re- Bronke-Bond another S per cent, prisingly they have not risen and ground coffee is the domihas made a remarkable re-covery following the traumatic Coffee processing is a raw period resulting from Brazil's material-intensive operation, Al the peak of the supply crisis the 1875 fros; disaster. Between July, 1975, and cos) of raw heans was estima-

March, 1977, raw coffee prices rase by 750 per ceni, forcing the cost of instant coffee on the ted to represent about 85 per cent of the price of a jar of instan). The halance has now UK retail market np from 40p returned to more normal levels to £1.70 per 4-62 jar. The same jar now custs 93-99p hut sales but the world coffee heans price is still the major influence on are nearly back to pre-frost levels. The total UK market is the cost of instant coffee.

now estimated to he worth

£250m a year-ils highest ever

In 1976 instant coffee sales fell by 2 per cent. But this figure is believed to have been

other major branded coffee

seller, claims the market is

already better than ever before.

The resurgence in retail demand

Between

level

It might scen surprising, therefore, that a 750 per cent rise in raw coffee prices resulted

in a mere quadrupling of retail posts. This is explained parily hy the fact that the major reasters boucht very little coffee at the neak level and nartly by a severe trimming of manufacturers' and retailers' nrofit margins as bean prices escalated.

distorted hy "larder stocking" as housewives anticipated further price rises. The real crunch came in the following year when demand plummeted 22 per cent. The subsequent re-This policy, which was undercovery has been equally dramatic. Salea were 18 per cent bigber in 1978 and so far this year are ronning 29 per token in the hone of minimising the damage to basic demand for coffec, cost the manufacturers dearly. But just as they felt it cent above the figure for the comparable period last year. necessary to cushion the consumer from the full force of the Nestle. Britain's leading inprice rise they also felt hound to pass on the subsequent cost stant coffee company, believes reductions at the earliest pos-1979 could be a record year for sihla sales, and General Foods, the

cut following the erisis, early prumotion costs. And since last year cost it "millinns of nounds

15

But costly as this policy was it is new naving dividends in the appears to be an entirely natural economic phenomenon as neither company has stepped up form of the entraordinary rapid recovery of the markel.

Its advertising effort. Further price cuts seem Nestlé them (Nescafé) and General Foods unlikely, however. The entrent cost of heans is roughly in line (Maxwell House) account for with retail coffee nrices and unless world prices fall significnearly 60 per cent of Britain's retail coffee sales. Nestlé claims a 37 per cent share and General antly, there is little incentive for Foods over 22 per cent. Apart further reductions.

from these Snlcafe, a Lyons-Telley company, has 20-25 per which have always been tight. (mushly sold under narrowed to a miserly 5 per this type of advertising un the

and ground coffee is the domimuch from this level. So there nany product there. This less is little room fur reductions in prucesed product clearly lends itself more readily in generic this area cither. promotion While ICO-funded promotion seems to be ruled out in the But the manufacturers are

naturally still keen to achieve further growth in their market UK. there could be scope for and the possibility of producersound sort of public relations exercise, which could he fully financed by the ICO. Such an operation would concentrate ou the provision of information beckleter at the book of the second monufacturer co-operation towards this end is heing seriously studied

Promotion

booklets, ctc., local demonstra-tions and perhaps advice on the Late last year a special Infer-national Coffee Organisation (ICO) meeting was called, at uses of coffec, rather than on the request of the European Coffee Producers' Association, to examine ways of using ICO funds for cuffee promotion.

The subject was divided into two broad areas: first, markel information and research: secondly, promotion, public relations and education. There seems some prospect f progress in the first area.

with 1CO funds being quite likely to be available. But the second proposition is regarded as more difficult.

ible moment. Under its rules the ICO can Nestle claims its first price provide only 50 per cent of any such a promotion would clearly have to be generic UK manufacturers are reluciant to provide the uther half of the money. The Brillsh market is domi-

nated by instant coffee and advertising has tended to concontrate on trying to persuade the housewife that one hrand significantly different from, and heiter than, the others. Generic advertising at their own expense would go against the Rela!l margins on coffee, grain for British manufacturers. tailing off. There may be more senpe for



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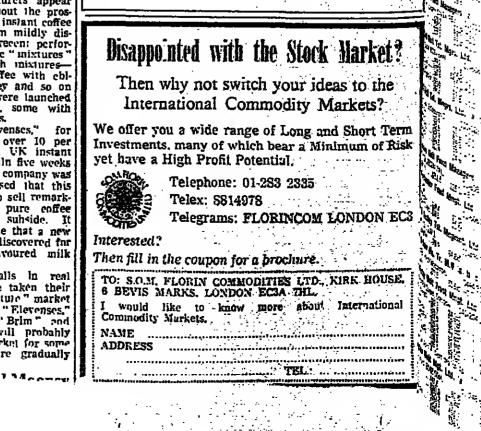
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#### direc) advertising. If the manuacturers appear quite confident about the prospects for the pure instant coffee markets they seem mildly disappainted at the recent performance of the coffee " mixtures sector. Many such mixtures-

supplementing coffee with cblcory, mnize, harley and so on to reduce costs-were launched

coffee markel within five weeks of its launch. The company was

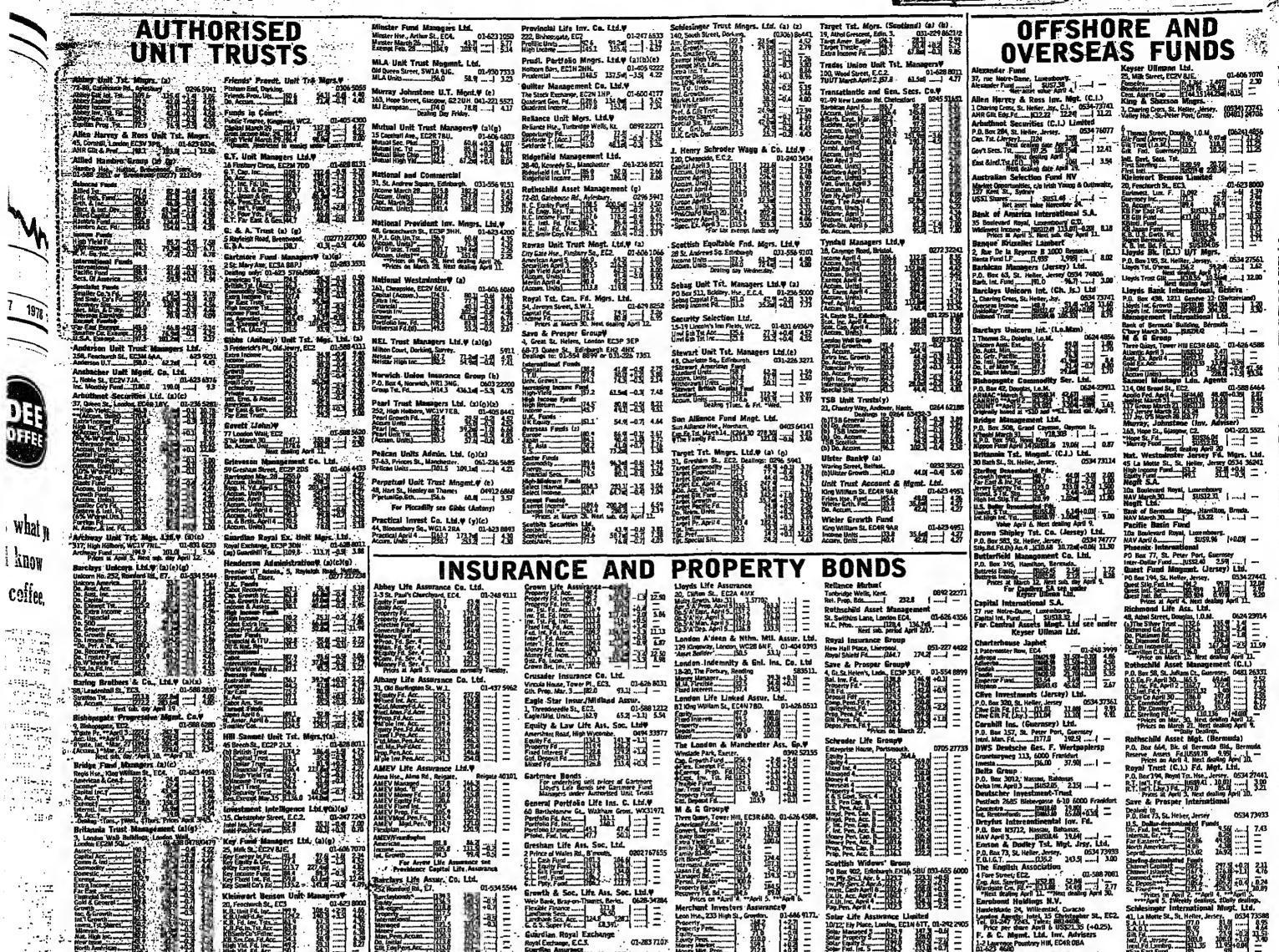
even more surprised that this hrand cuntinued to sell remarkalily well when pure coffee prices hegan th seemed for a while that a new market had heen discovered for a hland coffee-flavoured milk

drink. But further falls in real coffer prices have taken their Inil of this "substitute" market bough and General Fund's "Brim" other mixtures will probably remain on the marked for some time yet, sales are gradually

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during the crisis, some with spectacular success. Nesilé's "Elevenses," for instance, claimed over 10 per cent of the total UK instant

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	James Finlay Unit Trust N	Angt. Ltd.	Courtwood House, Silver S Sheffield, S1 3RD: Compadity & Gen. 77 Do. Accum. 77	treet, Head. Tel: 0742 79842	Comhill Insurance Co 32, Comhill, E.C.3, Cap, March 15	01-626 5410	Exercist Entry Init	111.3	Managed Fd. Cap		Managed [15,9] 122 Exatly [29,7] 136 Fixed Interest [18,2] 124 Property [04,3] 109 Gazanteed see 'Inc. Base Rate		Acting Form, Consumption France, Hord Long, Jardine Jon, Fat.         115302-11         250           Jardine Jon, Fat.         HIS302-14         11740         250           Jardine Jon, Fat.         HIS302-16         220         220           Jardine Jon, Fat.         HIS302-16         -0.26         210           Jardine Jon, Fat.         HIS302-16         +0.46         -0.26         210           Jardine Form, Inc         HIS302-16         +0.46         -0.26         -0.26           Irel, Fat. Scs.         Jardine Form, Jan         HIS302-16         +0.46         -0.46         -0.26           NAV March 14         HIS302-16         +0.46         +0.44         -0.26	Worldwide Gth Foj USS17.08 [+0.07] Wren Commodity Trust	4 25015
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	10-14, West Nile Street, Glasgdw. J. Finisy Internal 1		Income 56		C&C Magd. Fd	i 133.0[] — • Co. Ltd.♥	Legal & General Prop. 11. Queen Victoria SL, EC4N	Fd. Mgrs. Ltd.	Prov. Managed Fg. 1133.4 Prov. East Fg. 1199.3 Grif Fund 1199.5 Property Fund 1192.6 Equity Fund 118.6 Equity Fund 118.6 Fad, int. Fund 1196.7		Moneymaker Pd	The Location &	NS	DTES decated 2, and are in peace unless otherwise and	ricated
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	American 47.8 Gapital Tel. 161.0 171 Interne Tel. 125.2 1 Interne Tel. 125.4 1 Do. Accum 190.4 1	50.8 110 3.73 150 163 199 310 199 310 199	Japan & Pacific 37.6 Dr. Accom. 37.6 "Prices at April 6. Nex	40 5	Equity Fd. Incm. 110.7 Equity Fd. Ind. 2020	115-24 575	8, New Rd , Chatham, Kent, LACOP Units[10:00	Medway 812348	Equit. Fd. March 21. 1229.03 Fixed inc. March 21. 120.95 Prop. Fd. March 21. 120.20		Ret. Assd. Pers		2 Previous Gay's price. Y Net of tax on realised of a Suspended. A Yield before Jersey tax. † Ea-s	aparan gains indexes indecated by 4. 5 Guernsey ubdivision. # Ooly available to charitable bor	y grats Idies.

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Financial Times Monday April 9 1979 FOOD, GROCERIES—Cont. Your Managing Contractor Stuck Price I Bet Cw Grs P/E FT SHARE INFORMATION SERVICE 1-1-7 8.7 8.6 Carbory Schos. Cart's Milling\_ Cartiers 20p 6012 30.30 - ( - ) - T Oct. Ciffiord Davies. Oct. Do. "A" N/V . June Cullens 20p June Do. "A" 20p May Danish Scn. "A E1: BANKS & HP-Continued CHEMICALS; PLASTICS-Cont. ENGINEERING—Continued BONDS & RAILS-Cont. June England (J. E.) 50. Oct. F. M.C Price to Net C'm Gris P/E Last Div Yild A Net C'w Sr's P/E. Last Div Thi Yili I Net Cur Gr's P/E d Great Yest Pairt Interest Dae Trice 2 Dividends Part Steck Price Sleck Slock Price Stoc Jan. Junetenganer (J. E.) 32. Jan. Gel, F. M.C. \_\_\_\_\_\_ Fisher (A.) 50. Mar. Sept. Fisher (A.) 50. Jan. June Hazlew d's P. 200 Feb. Sept. Hillard's 100. Jan. June Hazlew d's P. 200 Feb. Sept. Hillard's 100. Jan. June Hazlew d's P. 200 Feb. Sept. Hillard's 100. Jan. Gel, Krait S2.-30. July Dec, Kwik Save 100. Dec, Aug. Leanons (G. 100. Jan. Gel, Linfood Hidgs... December Loodel (G.F). May Mor. Lovel (Wm.) 200 Oct. Mary Matthews (8). Adv. Nov. Meat Trade Sup.. Morth atthe State Sup.. Morth and Frade Sup.. Henry Boot Construction Limited 31 31 14 430 47 Sept. Jane Jan. Feb. June May Aug. Jan, Feb. Jan. Jan. Jan. June Apr. Feb. Feb. Jan Apr. Jallen W. G...... July Amal. Power.... Ang. Andsn. S'dyde... May Josh & Laby .... July Jassoc. Tooling... Aur. Jastra 1 and 7. July May. Jastra 1 and 7. July London 01-373 8494 Sheffreid 0246 410111 ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ ਫ਼ਫ਼ੑਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ਫ਼ 412 64 442 33-7 17.68 6 16.59 4 15.19 13.05 742 11.50 94 12.11 67 00. 13.1113.444 — 20.23 4.6 — 20.25 10.15 76.19 122 3.525 1.1 24.7 3.779 — 12.3 16.44 4.2 13.11 075.45 28.1 13.11 075.45 28.1 13.11 075.45 28.1 85187 64 69 88 42 Nov. Aurora Sept. Austin ( July Averys. May Babro BRITISH FUNDS Sep Oct. Dec. June June June June June June June May June June June E tast Yield E tal last Reil. Stock 6 11.90 3 1.87 6<sup>1</sup><sub>2</sub> 8.67 9 9.53 6<sup>1</sup><sub>2</sub> 0.45 3<sup>2</sup><sub>2</sub> 3.80 DCk & W Dec Do.105(20 93-98, 591-98, 591-July Minster Asseus, 59 Dec, Naz, Bic Asst. SAI, 150 Mar, Nat, Com, Grp. - 98 Mar, Nat, West, 51. - 347 Ottasen Bark 520 Aug. Starotters 51. - 460 July Sectomber MC 21, 250 July Sectomber MC 20, All June Bake June Bake Samfords & Nov Bakero Cost. 7 Way Barton & S Beauford Beauford Shorts" (Lives up to Five Years) to Five Years 97% 122 3.08 97% 122 436 100% 122 436 95% 2511 907 95% 2511 907 95% 211 9.57 95% 211 3.57 95% 212 9.84 90 43 May Nov, Meat Trade Sup. Nov, Meat Trade Sup. Morgan Eds. 10p. 13y Needlers Apr. Northern Foods May Nurdin P k. 10p Apg. Panto (P.) 10p. Pyte Hidgs. 10p. 
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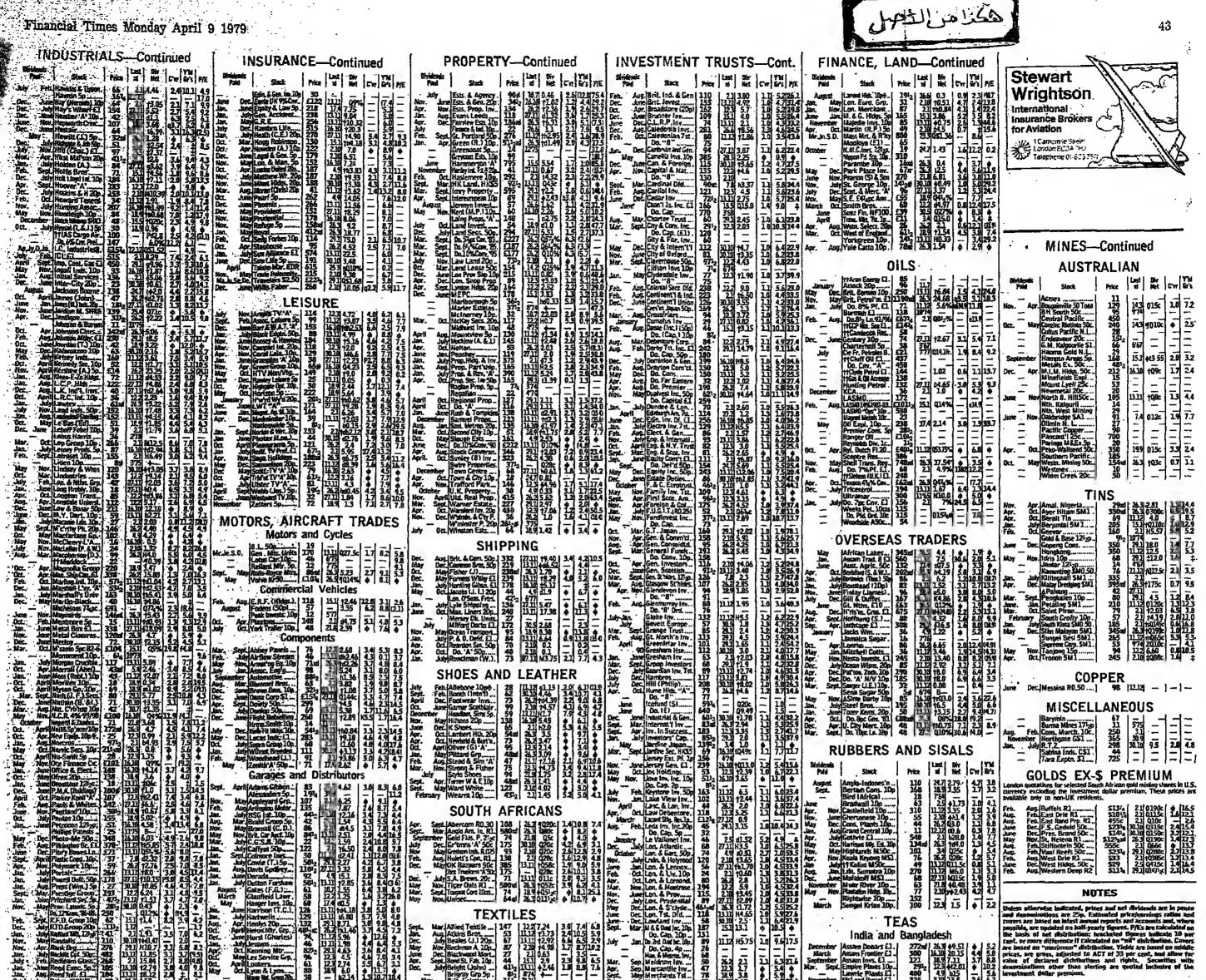
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 Jan., July Status
 Apr. Oci. IASA. September IAMF 5% Conv. 87-Ma.h.Se.De. Amax 51 Ja. Ap.Jy.O. American Express... F.My.Au.N. Amer. Medic. Int Orcember IASarco Inc...... Na Fe.Ma.M. Baker Intim Conv. 55 Na Fe.Ma.J. By Bendix Corp. 56-M.J.e. S.O. Beth. Steel S8... M.Je. S.O. Beth. Steel S8... SL00 | - | 34 1981#. 81 DRAPERY AND STORES 84.pc 1981 90\_pc 1981 3pc 1981 Hire Purchase, etc. 20 7.110.5 - 26 - Ji 3.1 5.3 8.0 Aug 4.2 5.3 55 Aug 7.5, 6 Jun 5.6 (10.1) June Spillers Apr. Squirret No 125:0 Sept. Stocks (Joseph) Apr. Tate & Lyte 5.1. Harever Rut. 200 Sept. Tesco 50 Line Unigate Line Unigate Sciences, Mar. Watson Pitip, 100 
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 Control 2-324
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 Control 2 5.4 May Di 4.5 Jan. Jt 3.7 Jan. Jt 3.7 Jan. Jt 5.2 Feb. Au 5.8 Fb. My Aug. 5.8 Fb. My Aug. 7.1 Apr. Oc 5.2 Feb. Oc 1784 149 46 17 147 203 241 93 98 128 2213 101 **№3155532553255458** April June North (M. F. J. 10). Jober Printe of Wales Oct. Queeo's Moat Sp. Det. Rowion Hotels... Aug. States (Reo) 10p. Mar. Sean Robo Int. Sp. Oct. Trust H. Forte... Oct. Water Mok. / 200... Aug. Water Mok. / 200... 9472394255 3 39 9 58 61 16 88 111 16 88 111 21 453 44 -7 35 44 44 49 7.9 5.9 67 31 68 (81) 168 238 26 160 199 160 199 196 1215 014 104 Jun. April Sept. Apr. Feb. Feb. Greene King .... Feb. Greene King .... Juty High'd Dist. 20p. Oct. Invergordon ... Feb. Irish Distillers .. Nov. Macatlan, Glen. Oct. Martin Troopson. Jan Moer Troopson. Apr. Ok Mr.Ju.S.D. Mr.Ju.S.D. Mr.Ju.S.D. Mr.Ju.S.O. Mr.Ju.S.O. Mr.Je.S.O. F.MyAuh. ApJaQia Ju Ar La cler s10p\_ INDUSTRIALS (Miscel.) Oct Ja A. H. June AG B. Research... Apr. Jacobs B. Research... Oct. Abbey Ltd....... Dec. Alexe B. Goneral Oct. Ainfris (nos. 200) Dec. Alaine Hidgs. 50... May Amal. Netral (21) Anneer Inds. 100... Sept. Am. Annia Metal (21) Dec. Arrison (A) 100... Oct. Assant. Commis 'A-Cat. Assant. Commis 'A-May Sprayers 100 123 168 23 21 m259 b34 122 35 25 106 2711 11.88 118 27.11 11.88 63 36.29 2.34 67 242 13.46 1705 242 13.46 1705 24 144 21 65.0 130 1311 14.0 284 21 65.6 175 27.11 13.2 I. U. Internationall. Kaiser AJ. Sty..... Mardi, Han, USS7.50 Morgan (JP) USS2.5 I. Nortoo Seman Inc. S. Owens-Iii, S3.125 Quaker Qats USS5... 5100 3 5228 3 5228 41 922 12 5128 1064 8712 1044 5014 9212 1115 833 1215 1157 1157 927 1125 927 812 8494 1255 814 8554 874 June Sandeman Ang, Scott & New 20p. Apr. Tematin Feb. Vau'z July Whithread 'A' Juster Wolv. Dudley. Just. Young Bres 'A' Sip. Goodman Br. 5p. Netr. Gratian Ware. Dec. GL. Universal. Dec. Do. 'A Ord... Apr. Greenfields LOp Ocl. Hardy (Furn)... Ocl. Do. 'A NV... Net. Manis Decensory. Sett. Helene Lon. 10a. Dec. Do. 12pc Cm. Pri. Ocl. Henderson K. 22p Nov. Henderson K. 22p Nov. Henderson K. 22p June Mar. Aug. Jan. Jan. Jan. June Feb. Jan. Oec. Nov. M.Jn.S.O. Ju.Oc.J.A. March J.A.LO. F.MyAuN. S.D.Mr.Ju. Mr.Ju.S.O. Mr.Je.S.O. Mr.Je.S.Dec Ap.N.F.My. Ma.Ju.Se.Dec Ap.N.F.My. Ma.Ju.Se.Dec 2113 15M 155 3N 15N 14 22J 21A 1M 1N 20M 20M 15J -26S 19N 22J Ocater Dats USSS... Retiance SO.25... Rep. N.Y. Corp. S5... Richtson.Mr/ILS13, Saud (8, F.) S1.... Singer (S10) ..... Sperry Rand S0.50... TRW Inc. S13,.... 35557552 24 44 3.9 212 109 102 86 174 354 65 BUILDING INDUSTRY, ASAUSSY TIMBER AND ROADS reasury 8340C 19 reasury 640C 95-4 reas. 15120C 954 roch, 120C 1998 85 43 78 48 44(92) 14.68 3.9 June Hepworts (J.) 10 Oct. Horse Charm 10 July House of Frase Tenneco Jury House of Lerove, June House of Lerove, Kitchen Queen 10p Knots MHI 10p. TKuntick 10p. July Lee Cooper July Lee Cooper Nov Liberty, rch 12 O. Tesora PL USS And BPB lads Texaci \$6.25 Time Inc. Transamerica \$1 Utd. Tech. SU55 U.S. Steel \$1 Utd. Ceck \$1 Jan, Dec. Bailey Ben 10p. Dec. Bailey Ben 10p. Dec. Barrati Dev. 10p. Beechwood 10p MarJnSpDc Mr\_Je\_S.O. Mr\_Je\_S.O. Ap\_Jy.O.J. 0\_Ja\_Ap\_Jy. Aug. June Dec. Feb. 224 1412 1334 10 9.9(34) 9.211.8 -6.4 5.3 4.6 9.8 7.5 5.1 4.210.6 5.2 65 6.7 4 Aug. Sectivoid 10p Bentox 20p. Oct. Bentox 4 M. 10p Aug. Bett Bros. 20p. Oct. Blockleys 20p. Marytilue Circle £1 Auty Lee Cooper \_\_\_\_\_ Nov Liberty \_\_\_\_\_ Apr. Uncrott K, 10b. Apr. Mrf. Firsture Lip Maple 10p.\_\_\_\_ July Marks & Spencer July Markis & Spencer July Markin News ... July Markin News ... 5A 10N 26J 12J Xerex Corp. \$1.... Zapata Corp. 25c. 27.2 \$2.48 -123 30c -2.9 1.5 E) Mar, Aug, Oct. Apr, Oct. Premium 2112% (based on USS2.08 Conversion factor 0.8222 (0.8147) USS2.0870 per £) S.E. List Stad d Undated Und. 14 Consols 4nz...... 10 War Laan Bynctt..... 10 Conv. Stoc 61 Art... 50 Treasury 3pc 66 Art... 7. Consols 21 apc... 35% [7.12]11.59 -35% [7.12]11.59 -35% [5.10]10.33 -38% [212]9.20 -26% [13]11.50 -23% [13]11.50 -21% [212]11.52 -Jan. Feb. Jan. CANADIANS don Lime . 0ct 51.24 - 4.0 May 51.24 - 4.2 May 51.26 - 5.7 Jst. 51.00 - 3.1 Aug. 51.60 - 3.1 Aug. 51.60 - 3.1 Jan. 57.2 Jan. v Brown Jesa, 200 00 0.3343 211 47150 311 62 7.9 1277 14 6.8 26 82 69 July Martin Incus July Menzies (J.) Michael (J) 10p Milietts Leis, 20p July Morris & Blatey Jan, Mochencare 10p Feb, NSS News 10p iddle Nidgs... furcated En Mann (J.) 10 13. 30.1 17. 211 335.2 13 13. 17.1 13. 17.1 14. 211 14. 211 14. 33.1 33 17.1 14. 33.1 33 17.1 Ma.5.J.O. Bk, Montreal S2... F.Mv.Au.N. Bk, Hova Scot. ... A.Iyo.Ja. Bell Canada S25... May Nov Bow Valley! 92.61 Hawthorn L Nill & Smi Hopkinson r Noward M Howden G Nov Jul Oct. June Nov. May Jan, July Bittam (J.) 10p. June Black Arrow 50p. Oct. Black Arrow 50p. Oct. Black (P) Nidgs Nov. Bodycote Int'... Oct. Bogod Pel' A' 10p. July Bocker McC. 50p. Nov. Boot (Henry) 50p July Bocks Jan, Jan, May July Jan, Jan, Jan, Jan, Feddy ms SOc F.WyAuN. L. In Jan. C. Jan. C. Jan. July July Feb. June reasury 2 pc. Act Howards Azy Hunt Moscrop Sp. Do. Defd. Sp ..... Oct. I. M. I. Liacksn., J.C.HB Sp State 33 51 44 INTERNATIONAL BANK Can, Imp. Bk. S. Can, Pacific \$5. 2 9 / 4 Jan, 3 2 1 9 1. 3 2 1 9 1. 2 2 8 6 Aug. 2 2 8 6 Aug. 4 2 3 4 8 July 6 8 7.3 Jan, - - Dec. 4.7 6.3 May 7.0 (8.4) June 4.5 (7.0) Oct. 4.3 (11.5) Oct. 4.3 (11.5) Oct. 4.3 (11.5) Oct. 4.7 9 2 Apr. 4.7 9 Dec. JN'Um 2.09 15A. 5pc Stock 77-82 ..... 8312 )61 5.98 20.98 c Deb. £100 P1.% 20 286 16.06 0.30 12.35 Auty Boots Auty Boos USS250 Nov. Bowater 51 Aug. Braty Levie 100 Aug. Braty Levie 100 Aug. Braty Ind. "A" May Brawner (H.) 200 Sept. Brengreen 100 Sept. Brengreen 100 CORPORATION LOANS Jan, Jenks & Catte Apr. Reters Slars 100. Apr. Reters Slars 100. Polly Pects So... Sept. Preedy (Alfred) Oct. Patisan R. S. J. So Jure Ramer Text. Sp Sept. Rathers 100... Oct. Raybeck 100... July Research Sp... Der Bred Austin'A June Jones Group 10p Oct, Jones Shipman 951, 211 956, 92 11310, 842, 1033, 10112, 227 933, 10112, 207 94 231, 10 558 971, 161, 10 558 971, 161, 10 1040 299, 112 12, 205 87 151, 27, 77 92(7.4) 4.6 6.8 6.6(7.0) 5.6 9.0 4.1(9.7) r, myann, Holinter So Apr. Oct. Hudson's Bay II... Jan, Johy Hud, B, Dil G, S22 Mr. Je S.O., Imperial Olifi Jan, Gal.J., Inco F.Jer, Aux, Ind, Nat, Gas Sil... Mr. Je S.D. Massey Fergil... June Dec. Pacific Pet Sil... Place Gas Sil..... Hore Clin Algoman... Comben Ga, 10p Apr. Jan. file.Je. Apr. Costain Group... Do. Defd. Apr. Costain Group... Apr. Costain Group. Oct. Croach Group ... Oct. Dorgias Rob. 41. Oct. Drawing G.H. 50p 1137114459 145 117 610s 690s 427 200s 174 200s 174 200s Apr. Dec. Mar. Dec. July Apr. Jan, Lake & Elbor. 162 40c 257 80c 1177 - 14 412 51.14 TLEY'S FOI

	1A.       1D.       Do. 94.00 (34-85)       91.941 (1.510.11) 11.12       M.J.e.5.0. (Boyal BL.Car, 52.)       207. 25.11 (52.00)       4         15M       15SM       15SL C.C. 5.5.90 (77-81)       89       152.6 (LB. 10.69) (Seggram Ca. CSI.)       193.11 (1.11) (1		<ul> <li>Rospill 59</li></ul>	- Mangan Bronze 60 13111 210 5.71 5.21 3.6 Nu	Brit. Steri Const.         22-34         760
	154 155 Manual 24 5 1980 1014 1810 1224 1157 BANKS AND HIRE PURCHASI	Jun. July French Nicr	1/1m Mini Stanley & C. 5n 1 240 1 210 4 9 6 31 4 6		ay 0.cl [67:ft3aris
	COMMONWEALTH & AFRICAN LOANS 14 Diffeents 15 Diffeents 16 Diffeents	<ul> <li>Apr. Oct. (Galifford Br. Sp. 73); 12.3 3.42 3.76 6.9 4.7</li> <li>May Gibbr O'dy A 10p. 47 3.4 2.0 6 6.6 4</li> <li>Joly Feb. Gressm(M.J.)10p. 37 1112 2.05 1.8 8.3716.2</li> <li>Feb. Asa, G'ort Cooper 20n. 85 221.536 0.08 9.46(2)</li> <li>Mar. Sept. N.A.T. Grp. 10p. 31 12.9 b1.67 2.4 8.0 6.1</li> <li>Mar. Sept. N.A.T. Grp. 10p. 31 12.9 b1.67 2.4 8.0 6.1</li> <li>Jan. Jurge Hearden St. 10p. 84 30.19 m1.09 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 20.19 7.76 1.7 1.4 4.6 6.1 5.7</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.09 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.09 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.09 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.09 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.9 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.9 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.9 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.9 7.4 1.9 6.0</li> <li>Jan. Jurge Hearden St. 10p. 34 30.19 m1.9 7.4 1.9 5.0 6.1 5.7</li> </ul>	Oct.         Arr. Steinberg 10p         2012         7.8         60.%         2.7         7.2         7.0         3.4           Jan.         Jeny Samme 20p         35         12.6         1.32         2.4         6.5         9.3         5           Jan.         Jeny Time Prot. 10p         35         12.6         1.32         2.4         6.5         9.3         5           Jan.         Jeny Time Prot. 10p         121         1311         u529         3.3         3.6         8.9         Ja           Jan.         Jeny Time Prot. 10p         110         2.1         15.18         1.8         7.10(9.9)         Ma           Jane         Dec. Upton (E) A'         44         30.10 2.49         9.3         3.5         3.7         7.1 (6.3)         Ja           Jane         Dec. Upton (2) A'         121         3.62         7.5         3.3         7.1         6.3         Ja           Jane         Dec. Upton (2) A'         121         3.62         7.5         3.3         7.1         6.3         Ja           Jane         Jeny Vanter         Jane         3.2         3.6         3.4         Jane         3.3         3.6         3.3	September   Mining Sop. 10p. 73 123 60.62 8.6 1.3134 Ap	<ul> <li>Dor, Burndenc Sp., 1612 (3010) 1.0 (0.8 9.3/20.6)</li> <li>Poul Burns Aut, 1: 100 (32 26.3)</li> <li>Poul Burns Aut, 1: 100 (32 26.3)</li> <li>Pet Feb C. H. Ind'ts, 100 (27 11.12 12.0)</li> <li>Poul Camer, 200 (30 14.0)</li> <li>Schwarz 200 (30 14.0)</li> </ul>
	Li         Mast Sign: 77-80         97.6         3011         5.75         11.54           LA         10Do, 3:ppc 731-82         81.82         84.8         11.57         Jan.         July/ANZ SA1         260         211         020c         3.21         4.46         6           28F         28AN 2.660         76.80         96         211         620         211         620         211         620         211         620         3.21         4.46         6         82.29         11.42         Anr.         July/ANZ SA1         260         211         6.00         3.21         4.49         6         82.29         11.61         14.22         Anr.         July/ANZ SA1         260         211         6.00         82.29         15.11         93.41         12.61         May         Aug.Alaytemeter FL100         11.02         14.82         4.41         6         14.02         5.81         6.82         4.82	August Sprink Art Gran. 100 107 121 12.4 10.5 1.4 12.5 1.	June Decl Uption (E) A' 44 2010 249 6 8.0 6 10 Oct, May Ventona 20p 121 2621 575 3.3 7.1 6.3 Ju May Nov. Ventor (Jac) 122md 353 2.38 5.6 2.8 6.8 Ju May Nov. Do. N.V	<ul> <li>Argin Materiason, Jup 43</li> <li>Li 1.57</li> <li>O.J. 101</li> <li>Algon Mole (M) 200 p.</li> <li>J. 30</li> <li>Q.J. 107</li> <li>J. 100</li> <li>J. 111</li> <li>P.S. 69</li> <li>J. 111</li></ul>	<ul> <li>Jone Canning W.J</li></ul>
	LOANS Public Board and Ind.	- War. Sent Neward Shat ICo 23 31 th10 23 65 9.9	Oct.         Alty Variana 20p	ni. Aor, Northern Eng., 124 (189) 45.09 (33) 7.3) 6.2 (5) pat. Feb.Norton (W. E) 5 (27) 11 12 46.08 7.5 (4.9) 9.2 (5) m. Aog. Pegle-Hati rsky 160 (112) 45.38 7.5 (4.9) 9.2 (5) m. Jone Porter Charl. 200, 93 (1311) 75.35 (3.6) 8.6 (4.0) par. Aog. Prat (F)	y         Jan. Carteon Inds.         263         207 7 33         4.4         4.2         5.8           b.         Asg. Cawcoots         190         1112         13.83         4.2         3.0           eptember         Cression Ind. 50.         33         10.7         40.76         5.9         3.3           a.         Join/Central Mag. 100.6         68         1112         63.0         3.6         6.4         4.2
	$\begin{array}{c c c c c c c c c c c c c c c c c c c $	7 April 0°C1 10.C. 200 158 121 210 0 2.4 9.4 66 3 Hor. May thistock Johnson 211 210 6.86 0 4.9 0 0 Apr. Oct Int. Timber	- ·	nt. Mar. Priesi (Ben)	<ul> <li>Luigi Cant, Sheered, 5p 35 20.06 m12 2.9 5.1102</li> <li>Fel, Centerway 50e, 313 7.8 112.25.4 4.4 6.0 5.7</li> <li>Aug, Cuantia Ph. 10p 532 1112 12.17 3.4 6.16 6.8</li> <li>Aug, Cuantia Ph. 10p 532 1123 12.17 3.4 6.16 6.8</li> <li>Aug, Cuantia Ph. 200 12.00 1</li></ul>
	Financial         Jan.         Juty/Cater Ryder [2]         355         [131]//17.17         7.27           30J         30J/FFI 13oc 1981         1023 (2112.65)         11.26         F66         -         669         -         679           30J         30J/FFI 13oc 1981         1007         21014.033         -         May         Nov. Clive Dis'nt 200         1055         11.20         679         -         679         -         679         -         679         -         107         21014.033         -         May         Nov. Clive Dis'nt 200         1055         112.01 (1016c 2.97)         5.57         6.59         -         6.59         7.21         10.01 (1016c 2.97)         5.57         6.59         -         6.59         7.21         10.01 (1016c 2.97)         5.57         6.57         -         6.59         7.21         10.01 (1016c 2.97)         6.57         -         6.59         7.21         7.21         7.21         6.57         -         6.57         7.21         7.21         7.21         6.57         6.57         -         6.57         7.21         7.21         7.21         7.21         7.21         7.21         7.21         7.21         7.21         7.21         7.21         7.21         7.	4         -         20#         277         - <th>- Arich Elect</th> <th>ar. Sept Ratcliffe Inds 88 122 5.27 6 8.9 6 F</th> <th>C. Aug Chuch 200 149 1311 519 33 52 88</th>	- Arich Elect	ar. Sept Ratcliffe Inds 88 122 5.27 6 8.9 6 F	C. Aug Chuch 200 149 1311 519 33 52 88
	31 Ltr 30 SIGFC Sign Deb. 30-82 35 at 122 647 14.41 July Oct Commission 100. 37 210 t0.71 7.3 29 6 31 Ltr 30 NDo. 64 pc Db. 31.54. 84 1610 7.68 10.60 Ltsr Cred. France F75 522 577 (95.67 at 29 at 10.10 10 to 1		(Nor., Nay Auto Ind Sec. 1001 130 (2) at 71,34 (4.9) 1.3(159) (0 Auty Jan. (8) (C 509	May         Rate:HH5         G.B.1.         84         12.3.2.12         6         3.8         6           12.         Arr. Record Ridgway_         52         24.7         2.0         2.1         5.7         4.8           12.         Arr. Record Ridgway_         52         24.7         2.0         5.7         4.8           13.         Oct.R. Winn H'rom 100         75         1.22         14.0         5.6         8.0         5.7         4.8           13.         Feb. Remold £1         1.07         27         11         19.58         1.5         13.4         (6.3)         1.0           13.         Feb. Remold £1	Le.S.D.  Cont'l. Gro. 51.   £167 (141)  \$2.20     6.6
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1	EOPEICN PONDS & PALLS Hay Marting (A) - 48 20 22 - 159-	Nov. June Manders (Nkig) 148 [210 3.3] • 3.4 •	June Campbell 19hvd 1 124 50 51 2.94 100.11 3.64 4.2 M July Dec. Chitorite 6.p 9 32 12.11 15.22 2.00 0.04 7.2 M June Dec. Chitorite 6.p 9 29 218 10 641 3.11 3.31 3.6 App, Feo. Compt. R. Serv. 50. 1431 11.12 (312.711 4.66 2.911.4 00 April Nov. J. Compt. R. Serv. 50. 1431 11.12 (312.711 4.66 2.911.4 00 April Nov. J. Compt. R. Serv. 50. 1431 11.12 (312.711 4.66 2.911.4 00 April Nov. J. Compt. R. Serv. 50. 1431 11.12 (312.711 4.66 2.911.4 00	ty Jam, Sanderson Kayser 62 1610 4.45 1.710.7 75 10 ar. Oct Saville G. 100 92 44 122 h01.63 2.0 55133 40 w. June Sentor Engra 100 228 320 0.5 40 th, Ang. Serth	y         Jan Crean (J.)         133         21 5.25         29 5.9         56           m.         Nov. Creat Nether 109.         138         123 5425         29 5.9         56           m.         Creat Nether 109.         138         123 540.0         32 52         29 52         29 52           m.         Creatly Hours (21 130.0         137 1         -         -         -         -           Jan.         Creatly Hours (21 130.0         1107 7         -         -         -         -           Jan.         Creatly Hours (21 130.0         20 11121 10.66         4.6         5.0         6.6         -         -           Jan.         Creatly Hours (21 130.0         11121 10.66         4.6         5.0         6.6         -         -
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~	Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4P 48Y Telex: Editorial 886341.2, 883897. Advertisements: 885033. Telegrams: Finantimo, London. Telephone: 01-248 8000.	ACR. Feb. Not. Brick Sub ( 350   2911229   3.9 5.5 55 NG. Jury Parker Turber   138   129 6.08 3.0 6.6 7.6 Feb. Aug. Phoenix Timber   165   314.33 0.8 3.9071	Jan. June Elec, Renaits JDp 210 21 F8.25 2.5 5.4 [12.8] Jan. Aug. Entrop Serv. JDp. 274 [31.1] f0.3 6.0 1.022.4 Landieum lei Dn. 312 1511435 4.0 11 2122 2 Ja	L Mar Systes (Nenry) 80 210 4.0 0 77 6 Au w. Oct Tace 100	<ul> <li>July/Duple Int. 5p</li></ul>
	Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1. Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1. (NTERNATIONAL AND BRITISH OFFICES	Lar. July Pochers	Feb. Aug. Ferrarit 500	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	r. Get. Do. 4' 58 122 13.63 31 93 51 3 5 E.C. Cases 10p. 15 976
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$-1$ $\sim$ $-1$	Tel: 938510 Dublen: 8 Fitzwilliam: Scuare. Telex 5414 Tel: 785321 Telex 17603 Tel: 50 60 88	<ul> <li><sup>14</sup> av Oct. J Taxis &amp; Arnold J 208 13.9; 63.87</li> <li><sup>16</sup> Feb. Aug. Tames 48 500</li></ul>	Lizer, Oct.         Newmurk Louiz         205         123         167.6         4.8         1.9         6.3         New           Jaby         Jan.         Newmurk Elzins.         22         126         127         127         127         128         3.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         5.2         128         128         128         128         168         5.3         10.2         138         4.8         5.3         148         4.8         128         4.8         5.3         128         138         5.6         128         128         138         5.6         128         128         138         5.6         128         128         138         4.8         4.7         6.6         128         128         128         128         128         128         128	n. Jane Weeks A: oc. 10p 27 [34.10] 11,32 [47] 7,31 31 [ n. May Weir Group 115 [13.11] 5,72 [47] 7,71 [40] ur. Sect. Wellicase Englig. 72 [23.11] 243 [24] 521 (105 [90] 105 [25] [25] [25] [25] [25] [25] [25] [25	<ul> <li>Nou Septeman 2017 105 122 154 11 50.0130</li> <li>Nou Septeman 2017 125 121 154 11 50.0130</li> <li>Junte Euro Fernises. 1364: 1311 1225 13 201755</li> <li>Junte Euro Fernises. 1364: 1311 1225 134 42 438 4.55</li> <li>Junte Euro Fernises. 150 36 122 116 42 438 4.55</li> <li>Junte Euro Fernises. 150 37 122 154 4.55</li> <li>Junte Fernieran 1.50 37 121 157 4 22 54 4.55</li> <li>Junte Fernieran 1.50 37 121 157 4 22 54 4.55</li> <li>Junte Fernieran 1.50 37 121 157 4 22 54 4.55</li> <li>Junte Fernieran 201 111 112 748 24 74 77</li> <li>Junte Fernieran 201 221 112 741 45.6 241 81 77</li> <li>Sett Fernieran 201 22 114 45.6 241 81 77</li> <li>Sett Fernieran 201 28 1111 124 32 38 24 65</li> <li>Junte Fernieran 201 28 1111 114 32 148 38 455</li> </ul>
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	Lisbon: Praca de Alegna 58-10, Lisbon 2. Telex J 27104 Tel: 241 2920 Telex J 27104 Tel: 241 2920 Washington: 2nd Floor, 1325 E. Street, N.W., Washington 0.C. 20004 Tel: 441 6772 Telex 440340 Tel: (202) 47 8676	Reg.       Perl. Vector Score 105.       37       211 10.63       32.3.413.6         Nac.       Ocl. Vibropiant	Agr. Oct. (Retafier 6.8.10p. 61 12.3 2.31 2.6 5.7 7.2 M May Nos. Schales (SN) 295 23 23 118.52 15 9.4102 (cc July Feb. Sony Co. 750 520 142 (cc October Sourd Offini, 50 97 241 01.24 4.51 19125 4 October Sourd Offini, 50 97 241 01.24 4.51 19125 4	M. Apr. Willers & James 205 at 23.3.67 ¢ 2.77 ¢ An MayWolf Elect. Tools § 11.99 1.43 ¢ 2.3 ¢ An MayWolf Elect. Tools § 21.11 77.48 4.81 3.68 8.2 J Mar. Nov. Worki Fw. 1004 4.11 ka 13 4.13 4.44 4.9 4.64 4.64 4.64	<ul> <li>Oct. First. Castle 106 64 186 (201 1.7 4.7/17.9 5)</li> <li>Oct. First. Castle 106 64 186 (201 1.7 4.7/17.9 5)</li> <li>Statter 100 50 3.27 (201 1.3 10.2)</li> <li>Jan Feoration C. &amp; W. 84 1112334 418 59 44 16 59 44 16 112334 418 59 44 16 112334 418 59 16 10 10 10 10 10 10 10 10 10 10 10 10 10</li></ul>
	ADVERTISEMENT OFFICES Manchester: Queen's House, Queen Street.		Jar.         July Nervingen Inds         84         1511K6.0         2.2310.7         4.1         Jar.           Alsr.         Get.         Newmark Louit.         205         12.2         16.76         4.8         4.9         6.3         New           July         Jan.         Normord EL.20         52         12.2         16.76         4.8         4.9         6.3         Ne           Jan.         July Pettow, Hig1 (Jb. 94         2.21         2.0         9.23         6.6         6.5         9.4           Jan.         July Pettow, Hig1 (Jb. 94         2.1         16.3         3.3         8.6         5.6         0.6         9.5         A.8         7.6         6.8         9.5         A.8         7.6         4.8         6.6         0.4         Anr.         0.4         1.2         1.0         3.9         3.5         1.0         1.0         3.0         1.6         5.4         9.4         1.6         0.4         4.8         4.6         6.0         M.4         Anr.         0.4         1.6         1.0         3.0         1.6         1.0         3.0         1.6         1.0         3.0         1.0         3.0         1.0         3.0         1.0         3.0	D. Aug. Wood (S.W.) 206 54 21 04.35 0 312 042.9 14 Apr. Whise Russ 122 of 224 123 232 1213 1(85) 14 I. Iday Yarrow 50	unyr osec musep - 186 11311 96.65 2.7 4.3087 4. May Fochergianarrey 126 3010 H6.94 1.8 8.218.9 4.1.5 Dz. Franklan Minn, 460 123 030 - 333 - 333 4 y Mar French Thr. 100 95 2911 2.8 5.8 4.4 64 43 2
	Birmingham:         George         House,         George         Road.           Telex         338650         Tel:         021-454         0922         Telex         238409         Tel:         1212         489         8300           Edunturgh:         37         George         Street.         Paris:         36         Rue du         Sentier,         75002.           Telex:         72484         Tel:         031-226         4139         Telex         220044         Tel:         236.86.01	CHEMICALS, PLASTICS	Mar. Oct.   There Elect	FOOD, GROCERIES, ETC.	App Pressing page 1275 1273 434 52 52 52 52 7. Sert. Gesteiner A 145 2711 53 5.2 55 52 52 6.3 52 55 52 6.3 55 55 52 7.3 55 55 55 55 55 7.3 55 55 55 55 7.3 55 55 55 55 55 7.3 55 55 55 55 7.3 55 55 55 55 7.3 55 55 55 55 55 55 55 7.3 55 55 55 55 55 55 55 55 55 55 55 55 55
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	Dverseas advertisement representatives in Central and South America, Africa, the Middle East, Asia and the Far East. For further details, please contact:	<ul> <li>Alco L1</li></ul>	May Oct Wingdani (H.)	<ul> <li>Oct. Acc. Pitheries 39. 1127 are 1.23.11 kg.</li> <li>Sent. Awana Group Sp. 95. 122 11.1 64 1.213.3</li> <li>W. Barks (Sichery C.) 110. 30.00 104.0 2.45 5.51 8.4 No.</li> <li>Barks (Sichery C.) 100. 155. 31202 are 1.00 100.00</li></ul>	July Comme Hun, 68 10.10 138 14 74745
	Overseas Advertisement Department, Financial Times, Bracken House, 10, Cannon Street, London EC4P 46Y	Jan, July Burrel Sp	ENGINEERING     MACHINE TOOLS	b. Aug.Barry (A.G.)	- Grunslande 200 45 11 11 29.7 45 H Dyt Gripperreds 200 - 129 262 107.11 5.2 3.7 7.7 9 4 0 June Gravestell Sp. Sp. 27 4.9 102 2.7 5.6 10.1 3 Auto Material Sp. 10 37 122 1.34 6 5.0 4
	SUBSCRIPTIONS Copies obtainable from newsagents and bookstalls worldwide or on regular substription from Subscription Department, Financial Times, London	Jan.         Mart Examination         62         21331         0         0.7         −           Dec.         Jam Edua (5v; 74*) in:         64         434         07.6         67.7         −           Mar.         Sepi Da8* Cm61:94         £92         210         08*2         677.7         −           Mar.         Sepi Da8* Cm61:94         £92         210         08*2         677.7         −           Mar.         Sepi Da8* Cm61:94         £92         210         08*2         677.9         −           Mar.         Sepi Da8* Cm61:94         £92         210         08*2         677.9         −           Mar.         Sepi Da8* Cm61:94         £92         213         08*2         679.1         −           Jan.         July Coance Bros         54         1111         2.6         4.77         €           Jan.         July Coance Bros         54         13111         2.6         4.77         €	April A.C.E. Machinery 105 (3/2) 378 2.4 5.411.3 Ma Bell Sonet A.P.V. Sop	April Below 100	Aug. (Annum 20)
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	Dec. June Perry (1) Murs. 150 <sup>-2</sup> 31.0 th273 73 27 53 Jan. July Carlo Condense) 63 271 3 May Oct Opinis (1, 4.1) July - 150 <sup>-2</sup> 31.0 th273 73 27 53 Jan. July Carlo Condense) 64 63 271 3 May Oct Opinis (1, 4.1) July - 150 <sup>-2</sup> 31.0 th273 73 27 53 Jan. July Carlo Condense) 16 67 2 May Trate of Lectis . July Carlo Carlo Condense 16 16 17 3 June Nov. Washam Str. 100 48 16.10 17223 26 65 84 May Nov. Carl thr Vivelia 34 24 0 Dec. July Western Mtr. 85 2711 246 4 4 4 9 Dec. June Coard Patons 692 131 1 NEWSPAPERS, PUBLISHERS May Constanting 38 12 2 May Constanting 38 12 1 NEWSPAPERS, PUBLISHERS	71245 1571186 6.5 Apr.Hy.Oct. New Throp. Inc 214, 12271.56 1.6121.013.2 17331 3.1 7.1 5.1 _ Do. Cap. £1 198 Ap 32.07 6 8.1 4 Do. New Work. 59 Ap	Sri Lanka t Sept.   Lunuva £1	Issues for cash. Interim since increased or resumed. Interim since reduced, passed or deferred. Tax-free to non-residents on application. Finances or result awaited.
Jan. July Brugerint 20p. 37 15.11.2.99 1.412.01(8: May Non Royan & Bodent 41. 2.10 + 1.34 6.6 4.9 3. Nov. May Royal Works. 168 4.9 7.13 4 6.5 th Jan. July Royal Works. 114 11/21 + 2.27 5.9 3.0 4.	30 β         Jan.         Ang (Assoc. News	2 0/54/2022 (11.16) - May Dec. NUN. Advents Sec. 95 11311 3.07 1.0. 4.829.4 Ma 6 40.66 - 3.1 - June Dec. NUn. American 1.042 2711 d3.05 1.8 4.433.8 Fer 1.07.0 2.5 8.7 6.8 Dec. July Narthern Secs. 127 1331 3.50 1.27 4.130.5 1.1533 4.7 4.8 7.3 Jan. June Off & Assoc. Inv 73 1112 1213 1.11 4.431.6 1.27 13.11 1.15 1.15 1.15 1.15 1.15 1.15 1.1	Nov. Blamyre	Unlisted security. Price at time of suspension. Indicated biolend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts. Merger bid or reorganization in progress. Not corremable.
Jan. July SC Chabit Trilloo 1512 200 00145% 6 11 8 6 Dec. Jone Sale Triney 1736 263 563 3.7 4.9 8 Dec. Jone Sale Triney 43 3010 10106 3.01 3.811 Dec. Jone Sale Triney 1730 268 3.7 3.7 4.9 8 Dec. Jone Sale Triney 1730 268 3.7 5 610	2 Fab. Sept. Bristol Post	1225 28 72 75 Apr. Aug. Predicand Inv 126 262 455 4 54 6 2 17.24 28 8.5(4.0) Jan June Prog. Sc. Im. 50p 66 2711 12.84 11 6.4215 10.76 2.6(10.0) 5.9 Mar. Sert Provincial Cates 33 2711 12.5 4 6.8 4 2 13.05 3.04 6.8 6.0 Aug. Feb. Resburn	CENTRAL RAND	For comparate, course linal and/or reduced earnings indicated, Forecast dividend; cover on earnings updated by latest interim - statement. Cover allows for conversion of spares not now ranking for dividends, or ranking only for restricted dividend.
Jy.0.1a A Statemberger 51 5625 1312(051.65 0 1.3 0 Feb. July Scottros. 75 1311 1329 2.5 6.6 9	3 Apr. Ot. Gordon & Solch 80 2.01 m2.68 4.7 5.0 6.3 Oct. Mar. 10 guorth U. 20p 26 11.1 1 Oct. May Home Counties. 88 11.9 5.0 \$ 8.8 \$ Oct. Mar. 0.0. 4/ 20p 26 11.1 6 Oct. Feb Independent & 225. 55.1 11.06 2.3 7.3 8.7 Jan. Aug. Ingram (N. 1) 0p. 46 12.1	11 d312 0.9114.6112.9 Apr. Ott. Kaphts & Its. Cap. 33at 26.3 0.14 Au 21150 5.0 0.6 25 0.01. Mar. River & Mert. 203 25.2 9.5 1.1 7.019.6 Au 21150 5.0 9.0 24 Sept. Mar. River & Mert. 172 25.2 7.0 1.1 6.122.1 21131 3.8 4.2 9.0 Apr. Nov. Roberto Det. 172 35.3 (25.4 4 7.0 4 21131 3.8 4.2 9.0 Apr. Nov. Roberto Det. 45.5 (25.5 32.5 4 7.0 4	Feb.Randfort'n Est. R2. 225. 210450t • 10.7 * Feb.West Rand R1 165 2210172t • 6.3	Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided. Excluding a final dividend declaration. Regional price.
Aug. Mar: Securicor Gp., 174 262 254 7.11 2.21 8. Aug. Mar. Do. A'N-V, 174 262 2.54 7.11 2.21 8. Aug. Mar. Security Services 176 262 255 4.00 3.1 9. Aug. Mar. Do. A'N-V, 177 1.258 3.55 4.00 3.1 9.	Man , beha Deserves I common 208 1 21 8 4 09 1 2 3 7 9 4 1 mm Latin (E 1 90. 75. 1971)	dt d2.29         2.0         7.7         7.7         1073         -         -         -         Maa           3         -         -         -         -         -         -         -         -         -         -         -         -         Maa           3         -         -         -         -         -         -         -         -         -         -         -         -         -         Maa           2         d101         7.1         2.1         6.9         Apr.         Nov. Rosedimondine         6072         2.10         1.0         1.0         5.14.5         Au           15.0         1.1         1.2         3.0         Apr.         Nov. Rosedimondine         6072         2.10         1.0         1.0         1.0         5.14.5         Au	Now. Bracken 90c         73 cd         26.3 †944c         1.4[36.0         etcl           etcl.ary         East Dagoga R1         71 rg         7.8         0         - ca           etcl.ary         East Dagoga R1         1.7 rg         7.8         0         - ca           -         E.R.6.0. R0.50         229         -         F056c         -13.0 f         - ca           -         Feb. Groottylei 30c         106         2.1 038c         1.2 21.0 y         - Nov. Knorss R1         - 27.1 rd         26.5 f         1.2 22.1 rm	No pur vane. In Figure's based on prospectus or other official cinate, c Cents. In Dividend rate paid or psyable on part of opial; cover hased on dividend and yield. In Assumed dividend and eld after scrip issue. J Payment from capital sources. It Kenya, Interim Higher Intan previous total. In Rights issue pending. Eardings based on preliminary figures. In Dividend and yield exclude special payment. I indicated indicate conversion cover relates to previous indend, P/E ratio based on latest annual eardings. In Forecass, indend, P/E ratio based on latest annual eardings.
Jan. July Sais thore 10p 202 291 15 28 8.4 6.	7 (Feb. July) Porsantik & Smil. 88 [1311] (3.15 4.1 5.3 5.1 May Dec/Mackay Hugh (45m) (36 6 Jan. July) Pyramidi IDo 52 (27.11 fbr2.49) (23 7.1 9.1 Apr. Oct. Mackay Hugh (45m) (36 7 Mar., Sept. Routhedge & KP., 230. (21.1 fb.1.1 4.5 (27.112.5 Jan. July) Martin (A.) 200 96 151 2 May Oct. Sampe W. B. Hoss., 188 (22.3 db.53 5.5 3.6 7.6 Nor. June Miller (F.) IDo. 57 JAT 2 Nov. June Jul. Hoss., 189 154, 155 5.5 3.6 7.6 Nor. June Miller (F.) 10, 57 JAT 3 Nov. June Jul. Hoss., 180 (23.1 5.5) (5.1 5.5 Sept. Apr. Monther (F.) 10, 57 JAT	37.62 ( ) [12.07] ( ) [Dec. June Rottwickin, 50p. [243] [7]11 ( 7.11] 1.57 4.4[23.1] ( % 11.84] 3.77 8.07 5.0 [Dec. June Sarteguard ind. 88 [13.11] 4.0 [1.66,821.3] Oct 5 13.76 4.85 5.85 4.1 [Oct. April SL Andrew Tst. 128 [25.2] 4.9 [1.0] 5.7[25.2] Aug 1.76 4.4 4.3] ( ) [20.1] [20.2] [20.	Nov./Kinross R1         271 wl         X3 1055c i         12122           Maylestie 65c         542 wl         231 021c         12230         9           Feb/Marievale RD.25         85½         21 070c         0.6488.9         a           — S. African Ld. 35c         72         29.1 025c         1.020.7         m           I. Feb/Matrievale RD.25         53         2.1 stilloc         1.211.3         stilloc           Winkelinaak R1         625wi         2.3 stilloc         1.211.3         stilloc	Interna negrer inan previous total is rogats some pending, Earnings based on preliminary figures. In Dividend and yield exclude special payment. I indicated dividend: cover relates to previous indend, Pit ratio based on latest annual earnings, or Forecass vidend: cover based on previous year's earnings. V Jax free up to b in the £. w Yield allows for currency clauses, y Dividend and yield sed on morecreterist. Dividend and yield include a special payment.
IPEC.         July (Sectobe)         192         127.111         65.491         23.9         43.112           Oct.         Mary Smith & Neph 100         73%2         21.8         27.11         62.6         7.5           Jame         Doct.         Smith & Inds. 500         256         27.11         62.6         5.6         7.           Jame         Doct.         Mary Solite, Law 200         256         27.11         62.4         5.02.2           Oct.         Mary Solite, Law 200         44         2.211         1.47         2.4         5.012.2           Jame         Doct.         Sandre Sandre         9.012.1         2.41         2.41         5.012.1	PAPER, PRINTING	1 115 0.8 6.2 43.4 Dec. July Scot. European. 375 9010 1.52 11 6.122.0 2 4 6 2 4 7.1 5.5 3.2 July Ann Scottish Inv. 1065 1112 3.0 1.0 4.2 342 1 107 2.1 11.0 June Dec. Scot. Mort & 11 116 3010 13.35 1.0 4.3 35.8 4 1.7 2.1 3 7.4 June Dec. Scot. Mart & 13 13.5 3010 13.9 1.1 4.3 35.8 4 1.7 2.1 3 7.4 June Dec. Scot. Mart & 13 13.5 3010 13.9 1.2 June Dec. Scot. Martinal 15 3010 13.9 1.2 June Dec. Scot. Mart & 13 3010 13.9 1.2 June Dec. Scot. Martinal 15 3010 13.9 1.2 June Dec. Scot. Martinal 10 13 June Dec. Scot. Martinal 15 3010 13.9 1.2 June Dec. Scot. Martinal 15 3010 13.9 1.2 June Dec. Scot. Martinal 10 13 June Dec. Scot. Martinal 12 June Dec. Scot. Martinal 12 June Dec. Scot. Martinal 13 June Dec. Scot. Martinal 12 June Dec. Scot. Martinal 13 June Dec. Scot. M	FAR WEST RAND	wer does not apply to special payment. A Net dividend and yield, E efference dividend passed or deferred.C Canadian, E Mininum ner price. F Dividend and yield based on prospectus or other official lineates for 1070-010. C Asymptotic dividend and added bitter canadian
Sept. Feb. Soundby P.B. 340 26.2 9.0 3.4 4.012 Nas. Nor. Sharow (5. W100.0 105 116.01 12.28 6.3 3.1 3. Jan. Ang. Spear (J.W.) 105 27.11 12.90 16.01 1.5 5. Nary Dec. Staffs. Potts 112 12.3 113.16 4.5 6. Oct. May Stag Emainure. 175 16.00 6.5 6. 5.6 6. Nov. Apr. Steeley 1894 26.3 7.2 3.7 5.7 5.7 State Moul. HISSI. 27. 975 954c 1.116.65 5.	Mar. Oct Refares Kat 200 44 1 262	1743.71 2810.1 4.0 Mar Dec. Scot. Northern. 115 11.9 3.41 1.0 4.5133.7 Fet 41355 3.112.11 3.4 July Dec. Scot. Ontario 70 1311 H2.17 1.0 4.632.7 Fet 11.15 2.7 7.8 7.1 Aug. Nar.Scot. Und Inv. 622.01 26.3 1.5 1.8 3.641.2 9.1449 2510.0 4.6 Apr. Aug.Scot. Western. 97 26.2 12.55 0 3.92555 Fet 1.128 25.32 4.6 Apr. Scot. Western. 97 26.2 12.55 0 3.92555 Fet 1.1278 2.510.446.5 Apr. Oct. Scot. Allance 1.5 199.2 122.6 30 0.9 4.5 34.4	Aug.Biyroor 25	np and/or rights source. In Lawoence and yield usaged on prospectus or ever official estimates for 1978-79. K Pipares based on prospectus other official estimates for 1978. M Dividend and yield based on ospectus or other official estimates for 1978. N Dividend and yield and on prospectus or adjunct for edimate for 1979. Pipares
Nov. Apr. Streetey	5 Longe Jan Brit Printing	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Aug. Elsburg R1	sed on prospectus or other official estimates for 1978-79. A Gross, T gunes assumed. Z. Dividendi totali to date. 54 Yield based on sumption 7 reasury Bill Rate stay unchanged until maturity of stock. Ibreviations: sid ex dividend: sz ex scrip issue; ar ex rights; sa ex all; ex capital distribution.
Fets. Add.Storight Speak: 42 211 (266 44 9.5) 4 May Swetch Math. Speak: 425 10.5 01092 4 6.7] 4 November: Swint-Pacific 60c 9492 95:036c 1.4 4.119. Mar. Sett Syltone 196 122 405.7 4.7 4.3 7.3	9 Jan. Aug. Chapten 52. 300. 135 13, 13, 13, 13, 13, 13, 13, 14, 14, 14, 15, 14, 14, 14, 14, 14, 14, 14, 14, 15, 14, 14, 14, 14, 14, 14, 14, 14, 14, 14	L125 4.4 6.4 5.3 Dec. June/Soler inv. 75 (220) 1.8 1.1 3.6/36.4 Ass L125 4.4 6.4 5.3 Dec. June/Soler inv. 129 1311 13.5 1.1 3.6/36.4 Ass 1.1 4.1 4.1 4.1 4.1 4.1 4.1 4.1 4.1 4.1	. Feb. Skilfpotein 50c 327 23 066c 177221 — . Feb. Vaai Reefs 50c 1325 27 0280c 2.712.3 . Aug. Wentersport R1 229 14 025c 27 6.8 409. W. Drite R1 1995 14 0355c 171225 409. W. Drite R1 1995 14 0355c 171225 10355c 1271225 10355c 1271225 10355c 127125 10355c 127155 10355c 1271555 10355c 1271555 103555c 1271555 10355555 103555555 103555555555555555555555555555555555555	"Recent Issues" and "Rights" Page 31 is service is available to every Gompany deatt in an Stock
January         Tother So	—         Defyn 200         20         275         —         -         -         73.7         Jan.         July/Strond Rilay Dr'd         32         111           Nov.         July/DRG         121         210         +7.11         1.8         8.8         9.5         —         Sonbeam Writesy         49'ml         23.1           1         Sepi.         Apr Hast Lance. Ppr         73 all 35.3         6.8         9         7.5         4 an.         Nav/Terr-Consulate.         73         13.11           1         Sepi.         Apr Hast Lance. Ppr         73 all 36.3         6         7.5         4 Jan.         Nav/Terr-Consulate.         73         13.11           1         Sepi.         Apr Hast Lance. Spr         7.3 all 49.25         1.7         14         6.4         Nav/Terr-Consulate.         73         13.11	Chilling         Size	. Aug. Western Deep R2 691   414 (0147-c) 2.1 12.8 =	changes throughout the United Kingdom for a fee of £400 per annum for each security
Nov. Havin and Mr. 27. 210 Lut Lut 2 43.7 4.8 6.1 How Have 1 100 12.20 - 152 14.114.12 43.7 4.8 6.1 How How 1 100 - 152 176	Nov.         May Geers Bross. 10p.         48         30.10 (3.05)         2.1         9.5         7.8         Feb.         Jointy Tootal	1276 23 9.6 5.4 Mar. Aug. Theoreminton 96 28.114.67 1.0 7.6119.7 345 200% 1.0 2.540.8 May Nov Do. 82% Loan 1559 16.10 08.2% 36.7 15.5 Jan 21.69 0.5 8.4 2.2 Mar. Oct. Tor. Invest. Inc. 88 252 15.7 1.2 9.7 12.7 h.175 55 3.5 7.5 October Do. Can. 110 18.9 0.57 0.8 Mar. Mar. Mar. 44 44 55 2.8 7.7 6.5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	<ul> <li>DEC.FS. Genuing SOC</li></ul>	REGIONAL MARKETS re lollowing is a selection of London quotations of shares previously red only in regional markets. Prices of Irish Issues, most of which are u cofficially listed in London, are as quoted on the Irish extange.
	Sept. [Melody Mills _ 1440 426 324 42 331 65 9ct. Mar. 0ct met. 42 392 71 8 May Non_Mills & Allen 50p 242d 233 450 62 31 65 9ct. May Youghal 31 199 1 July Dec. More 07Fer. 10p 120 3010 433.07 3.0 3.8 13.2	220 T 7.0 T 13 3.750.0 June 10000 1020 122 1.7 1.3 3.750.0 June 122 1.7 1.3 3.750.0 June 122 1.7 1.3 3.750.0 June 122 1.7 1.3 1.750.0 June 122 1.7 1.5 1.5 1.5 June 122 1.7 1.5 1.5 1.5 June 122 1.7 1.5 June 122 1.5 1.	Nov. St. Helena R1 743at 263 10190c 1.4 15.3 A	Sany Inv. 20p         2772         Sheff, Refraint         78           b Spinnung
Feb.         Ang. Unifier. Ma	Jan.         June Oxfey Print Grp         71         27.11         72.52         6.7         5.51         3.0         Apr.         Sept. BAT inds	114.52 13.4 7.014.6) Apr. 0c1 Tyneside Inv. 119 123 4.43 11 5.624.6 Am 4.9 Feb. Avg. Udt. 8nit. Sec. 1375 21 14.46 1.0 4.930.7 8.85 5.7 32 8.0 May Nov. Udt. Capitals 20 210 104 6 7.30 7 6.32 1.8 9.3 7.4 May. Aug. U5 Deb. Corp. 97 26.6 4.05 1.0 6.4223 72.07 9.4 4.7 27 Jan. July U.S. & General Fiz. 201 29.1 6.83 1.1 5.127.0 Apr 4.9 13 2.9 4.9 4.9 4.1 2.7 Jan. July U.S. & General Fiz. 201 29.1 6.83 1.1 5.127.0 Apr 4.9 13 2.4 4.0 5 1.0 4.4 2.7 Jan. July U.S. & General Fiz. 201 29.1 6.83 1.1 5.127.0 Apr	Sept Am. Am. Coal SOC 940 9726 3.3 4 3 F	aig 6 iffore f1
Warts         U. Guerantee 50.         30         241         U. 2         111         111           Jaa         Jady Unochrome         12         155         60.23         6         2.9         6           Jan         Judy Water         60         2711         12.17         4.1         5.4         4.9           -         Viners 10p         20.34         20.36         0.2         1           -         Feb.         Aug Winten Gro. 20p         126         21100         9.4         0.917	Sept. Mar. Wace Group 200 102 21.76 • 26 • Feb. Aug. Wackington (J.). 183 Nov. May. Watmoughs	Line Viking Resources 105 155 112 12 16/78.9 Ma Harch W. Cat & Teasilon 691, 252 11 4 24 6 Feb June Cect Wennyss Int. £1 303 2711125 110 62/25.7 Jan June Cect Wennyss Int. £1 303 2711125 110 62/25.7 Jan Arg. Mar WinterContorn. 214 291 5.6 110 3.977.6 Mag Seb Amer Wither Low	Aug. Ang. Ang. Ant. Gold R1 £151,51 = 0214c 6 7.0 G Aug. Ang. Vani 50c £103, 22 t0115c 33 6.8 H Jusy Charter Cons 163 221 8.43 2.4 7.7 H Dec. Cons. Gold Fields. 220 16 + 9.19 2.8 6.3 P. May East. Rand Con. 100 20 4 105 6 8.2 c.	alg Ohip £1,
Dec. Jone Wade Potts. 10p. 56 [7/11]12 53 30 83 Nov. May Wade Potts. 10p. 56 [7/11]12 53 30 83 Nov. May Wader Ford 5p. 14 3011 00.9 - 9.6 - May Nov. Waterford 5p. 58ad 263 02.4 4 41 4 Apr. Oct Waterford 5p. 350 122/181 44.3 5198	PROPERTY         Dec.         June/Aberdeen Invs.         62         1331           Judy         Dec./All'd London 10p.         85         2731/2.05         24         3.6(16.1)         Jan.         SeptiAlinati London .         314         1310         437         23         2333.4         Dec.         June/Aberdeen Invs.         62         1331         1340         21         1340         21         1340         21         1340         21         1340         21         1350         21         1360         21         1340         21         1350         21         1340         22         23         24	1239         167         5.7         July         Do. "8" 72         30.5         0.87         72         30.5         0.87         72         30.5         0.87         72         30.5         0.87         72         30.5         0.87         72         30.5         0.87         72         30.5         0.87         72         30.5         0.87         72         30.5         0.87         72         73.5         0.87         72         73.5         0.87         72         73.5         0.87         72         73.5         0.87         72         73.5         0.87         72         73.5         0.87         72         73.5         0.87         73         74.62         1.01         5.5         75.19.5	May Gen. Mining 40c 420xd 10 660c 6 85 Sept. Gold Fields S.A. 25c. £153a 12 r0135c 1.9 5.2 Oct. Jorburg Cons. R2 £154 111 r0170c 3.6 6.7 Feb. Middle Wit 25c 255 7.1 r025c 7.5 5.9 marky Mindorp 1250 76 1112 15 0.9 30	OPTIONS
Ang. Wedgwood	Apr.         Oct Apps. Props. 10p. 113         Ziz 113         Li 1752.9         Nov.         Jist AlShard Inc. Sop. 119         15.10           Mar.         Oct Apps. Secs. 50.         282.2         262.0.72         11         3.836.6         Nov.         July De. Capital 50p. 228.2         15.10           Mar.         Oct Apps. Secs. 50.         282.2         262.6         16.2         12.2         51.5         De. Capital 50p. 228         16.10           August         Avenue Cite 20p.         98         266.6         16.2         12.2         51.5         De. Capital 50p. 228         13.10           Sept.         Mar. Beaumont Protos.         112         262.3.87         11         52.26.9         0.4         Marchine Cite 20.2         94	1610         1610         13.9         Finance, Land, etc.         Mail           1043        03          Finance, Land, etc.         Mail           1457         1211         0115         Feb.         July Akroyd Smithers J 223         2711         16.75          Mail           155	Oct. Minorco 5800.40         192         27.11         012c         1.5         3.2           Sept. New Wit 50c         109         122 +016c         1.7         9.0           —         Patino NV Fis5         £12's 1175 0050c         4         2.4           wember Rand London 15c         62         2.1         910c         3.0         9.8         In           https://centime.centit.centit.centime.centit.centime.centime.centit.centime.centime.	3-month Call Rates
Hot.         Ang. (White Child & B.,) 200         (122 (+).5         3.51         4.1         7.8           Feb.         Ang. Whitecroft         136         211         \$7.88         201         8.27         7.7           -         Whitecroft	Jan.         Apr. Bezzer (C. H.) Mp)         69         D_11         122         7.2	33         6         4.71         6         Autority Inz. 200.         61         1275         -         -         8.0         Mag.           33.6         1.0         11.2         13.0         Oct.         Mar.         Arrow 19         475         -         -         8.0         Mag.           3.6         1.0         11.2         13.0         Oct.         Mar.         Charlenge Crp. 31         123         12.3         101.4         2.2         5.2         8.9         Dect.           3.6         1.0         11.2         13.0         Oct.         Mar.         Charlenge Crp. 31         123         12.3         101.4         2.2         5.2         8.9         Dect.           3.6         1.0         11.2         13.0         Oct.         Mar.         Charlenge Crp. 31         123         12.3         13.4         1.4         7.1         13.4         Jan.         Jan.	Feb Sentrat 10:         185         266 (1030c)         1510.0         84           Oct Silvermines 21:20.         41         16.10         25.4         1.7         2         8           July Tanks Con. 50p.         182         16.16         010.0         1.2         5.5         8           July Tanks Con. 50p.         182         16.16         010.0         1.2         5.5         8           July Tanks Con. 50p.         91         2.11         09% 16.3         7.9         8           July Tanks Con. 50p.         91         2.11         09% 16.3         7.9         8	$\begin{array}{c c c c c c c c c c c c c c c c c c c $
Apr. Oct.  Wild:sn.M <sup>2</sup> hch.f.1   185   29.1  111.0   24/8.11 4.8 June Dec. Do. 10pc Crv 573   27.111 (200% 15.7/81.12 July Feb.  Wilklams (J.) 53   1112 2.75   3.01 7.7/6.4 Nay Nor-Wills (George). 73   15.10 3.35 \$\overline\$ 7.7/6.4 June Dec. Notes Water Do 30   2.10 ±3.23   2.6  \$\overline\$ 3.5	British Land         7412         26.3           Attra bec Argu-Scient (m         812         2111           Apr.         Oct [Do 12pc (m. 2002]         5249         218         012*5          Aug.         Feb. Archimedes Icc         81         21         21         1016	1.6         1.0         2.57         1.0         1.0.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0         1.1.5         1.0 <th1.0< th="">         1.0         1.0         <th1< td=""><td>Sept. U.C. Invest R1</td><td>ue Circle</td></th1<></th1.0<>	Sept. U.C. Invest R1	ue Circle
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INSURANCE	5       5.15.0.       Opinity & M. 52       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       6.13.2       7.14.2       7.13.2       7.14.2 </td <td>11.00 122 21159.7 Feb. Aug. Hambro Trost. 208 574</td> <td>- Impats Piet 20c. 170 123 1084c 32 65 E May Lydenburg 121c. 82 1610 06.8c 0.9 50 E May Rus, Piat. 10c. 130 1619 08c 2.7 3.7 Ge</td> <td>and Secs</td>	11.00 122 21159.7 Feb. Aug. Hambro Trost. 208 574	- Impats Piet 20c. 170 123 1084c 32 65 E May Lydenburg 121c. 82 1610 06.8c 0.9 50 E May Rus, Piat. 10c. 130 1619 08c 2.7 3.7 Ge	and Secs
Nov. June(Bowring (C. T.) (132   210(3.36   453) 3.8 7.3 Feb. July(Brentmall Bri 10p 28   10.70.57   3.0 May Sent Britamic 5p 17801 26.3 10.14 8.5 F.NLSD. Constituted Am. 51 (1051 25.1 05.12) 5.6 Mor. March Comm. 17.65 12.3 4 85.4 7.7	Mar.         Sept.         Dectars         1446         122         13.04         4.22         3.110.3         Jam.         July Brazil Inv. Cr51         5102         1512           Sept.         Feb. Dans Estates 10p.         21         15.9         10.5         3.64         92.1         97.00         97.0	GS5.221         1.01         5.119.3         Acrill         Oct. Investment Co	UENIKAL AFRIGAN May Falcon Rh.50: 205 123 1060: 1721.3 May Rhodh Corp. 63:0. 22 17.4 0.57 7.1 3.9 Roan Cons. K4. 122 1274	and Met
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FINANCIALTIMES

#### Monday April 9 1979



BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT IN BRUSSELS

THE EEC Commission has pub-lished its definitive calculations of the oet receipts and transfers of member, states under the EEC budget in 1978.

The commission presents its conclusions in two forms, and on the basis of one method of calculatioo, the UK aod Italy can daim to have overtaken erniany to hecome the two blggest net contributors to the budget, with Britain making the single biggest national payment. Denmark, the richest country in the EEC measured per capita, is a net beneficiary, as are Belgium, Luxembourg, Ireland and the Netherlaods.

According to the second tor to EEC finances, after siderably between 1977 and Britain, France and Italy in that 1978. Last year, Germany's net order. The value of receipts by net heneficiaries is reduced significantly.

The two metbods reflect different ways of treating mone-tary compensatory amounts (MCAs) used to cushion intra-EEC farm trade from the effects 1977 of 125.8m units. of exchange rate movements. Io These figures, which represent one version, MCAs are treated entirely as payments to conntries exporting agricultural products, lo the other they are counted wbolly as payments to

Even if MCAs are wholly the annual increase in the attributed to importing coun- budget contributiona made hy

EEC NET BUDGET CONTRIBUTED AN	D RECEIPTS, 1978
Actual transfers reflecting adjustments Figures in Units of Account (one U)	under Article 131.
Recorded transfers	Adjusted transfers

(if MCAs attributed to exporting country) ( if MCAs attributed to mporting country) MCAs Belgium/ 43.1m Luxem 393.4m -620.4m 239.1m ÷ 381.3m Denmar 346.8m 173.0m --- - 519.8m Germany - 321.0m + 320.1m - 287.7m - 210.4m France 33.3m + 530.5m Iretand + 418.5m - 179.8m - 304.9m + 57.0m - 407.0m — 723.4m italy + 236.8m Netherlands UΚ -1,121.6 + 714.6m

tries, the gap between the net the three most recent EEC memmethod, Germany enlerges as contributions made by Germany bers, though it will cease to the single higgest net contribu- and Britain still narrowed con-operate from the end of this Had Article 131 not been i contribution measured on this effect last year the UKa net basis fell to 519.8m units of contribution would be the bigcontribution would be the big-gest of any EEC country, accouot (£348m) from 1.5hn regardless of how MCAs were calculated. On the other hand. units (£1bn) in 1977, while Britain became a net contributor to the tune of 407m units Italy's net payment would

after being a net recipieot in shrink appreciably, especially if MCAs were treated as a payment to importing countries. actual cash flowa during the With MCAs being attributed to the exporting country the UK's "deficit" with the Comcalendar year, reflect adjustments made under Article 131 would have heen UA (£750m). With of the EEC accession treaties of munity Britain, Denmark and Ireland 1.12bn This Article is designed to limit

MCAs attributed to the importing country the "deficit" would bave been 709.3m UA.

Liquidator asks unions for £1m to save Kirkby

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

BRITAIN'S two higgest trade unlons have been asked to contribute about fim to save Kirkby Manufacturing Engineering workers' coand operative from permanent closure.

The liquidator for the co-operative, Mr. Bernard Phillips, has written to the general accretaries of the Transport and General Workers Union and the Analgamated Union of Engineering Workers asking whether cash could he extracted from their pension funds or other resources.

The . co-operative closed fortnight ago after the liquidator was called in. Hopes that it may reopen and provide jobs for some of its former 720 workforce depend oo fresh investment within the next week or so.

The liquidator has also con-tacted possible bidders in the hope that the business of mannfacturing central beat-ing radiators and other products could be reopened. But if a deal is not reached sour the assets of the husiness will be sold off, piecemeal. will Former employees receive their last wage packets

this Thursday when they will be given their ontstanding holiday pay. They have been laid off for two weeks because of a lack of supplies of sheet steel needed to make rad lators.

When it went into liquidation the cooperative was losing about £16,000 a week and was believed to have ontstanding debts of some £1.7m. Its assets are now held hy a subsidiary of the original concern called KME Ltd, and it is these that could cost about £1m.

It seems extremely un likely, however, that the two unious to which most of the former employees belong,

The unions considered, bowever, that if they agreed, to invest in one job-saving project, they would find it bard to turn others down and would not bave sufficient funds to meet demands. The TGWU for example bas only ahout £30m invested and has a relatively small pension fund for its staff.

# THE LEX COLUMN Why the EMS needs secret tinkering

After just four weeks th

credibility of an important part of the European Monetary System is already heing ecoded. The "divergence indicator," one of the two constraints which are supposed to keep EMS currencies in line with one another, is being distorted by the rapid rise of a non-member. Sterling, D-Mar French and of the Lira. The resulting confusion is increased by the decision of the European Com-Dutch trish P Italiar mission and central banks to keep their resulting "correctioos" to this indicator under wraps.

The first constraint in the EMS is the parity grid, a straightforward and publicly annouaced set of cross-rates beyond which individual currencies may not stray. The second, the "dlvergence indicator," is supposed to restrain the movement of each curreocy against the ECU — the basket of cur-rencies which is the centrepiece

If a currency moves beyond its divergence limit against the ECU there is a "presumption ' that the country in question will take remedial raction. These limits are known and for the time being constant. But the actual changes in each currency's exchange rate against the ECU now have to be "corrected" before they can be set against the divergence limits. This correction factor displayed from the start. But it does nothing for the credi-bility of EMS. The Commission has been kept secret and, to make the mystery complete, it or the central banks should changes every day.

spell out the true position daily. The reason why this correction factor has crept in is that the ECU basket includes one Behind closed doors currency-Sterling-which is not bound by the rules of EMS Financial institutions bate to and another the Lira-which bas been allowed a special leefall out in public, but the signs are that a behind-the-scenes row is now hrewing over the future of North Sca Assets (NSA)—the luckless £20m North Sea investment company way of 6 per cent in the parity grid, instead of the usual 24 per cent. Both these currencies are strong at the moment with the pound up 4.49 per cent against the Belgian franc and the Lira 3.11 per cent. They are thus dragging the ECU up against other EMS currencies by more than they would if they conset up in 1972. lvory and Sime, now in sole charge, have been trying to drum up support for NSA over the last couple of months. This has succeeded to some extent and the unofficial share price formed to the 23 per cent rule.

The solution adopted by the Commission and the EMS central banks, for the purpose of the divergence indic to strip oot that part of the rise of the ECU against, say, the Belgian franc, which is due to the excess rise of the pound and the Lira. The excess is defined as that part of their rise which

	Actual % change of ECU against currency. April 6	"Corrected" change for divergence indicator %	Divergence limit %
n Fr.	+1.62	- 1.25	==1.53
Kr.	-0.62	0.89	#1.435
k	- +1.01	-0.63	=1.1325
Fr.	+0.26	-0.11	=1.35
Gid.	+0 <b>.39</b>		±1.5075
Hint	-0.26	-0.37	· 生1.665 · ···
lira.	- 1.55	- 1.91	±4.0725
	A positive change denot Corrected changes calculet	es a weak curranc ed by Financiel Til	y mes

**Builds for Business** 

ECU against the Belgian franc share quote, some institution iggered by a movement of sbareholders are inhappy per cent, this correction about allowing NSA to go off is triggered by a movement of sbareholders 1.53 merrily investing what me pulls the Belgian franc out of the danger area.

it bas got lect in all sorts of oil and gas related stocks some The idea behind the diverthing most of them can do just ence indicator is laudable: its function is to point out which. probably more cheaply. currency is departing most from a European norm, rather than has paid out over three times as ruuch in management fees : leave the onus for action on the weakest. All these curious adjustments are a logical result in dividends over the last siz So a number of institutions of the desire of Britain and

are putting pressure on Ivory and Sime to let NSA be quietly Italy not to conform to the basic rules of the system. The secrecy that surrounds these adjustments is apparently aimed at defusing speculation

wound down over the next few years. If ivory and Sime do not bow to informal pressure some of the Scottish and London institutions are threatening to and may also derive from resistance to the idea of ECU-based limits which some central call' an extraordinary general meeting to try to replace the banks, notably the Bundesbank, present Board. This is no idle threat

well themselves

- NSA

Take the case of New Court Natural Resources which was set up at roughly the same time by Rothschilds with the same capital (\$20m) and the same sort of objectives. Its Initial performance was hardly sparkling and institutional investors became unbappy about the lack of marketability of their shares and the hig discount at which they stood. Eventually NCNR bowed to

institutional pressure and transferred over three quarters of its net assets, including £10.4m of cash and virtually all The quoted investments, to a newly formed unit trust. NCNR was left with the remaining fom or so. And since then bas has moved up from £8 to performed reasonably well, around £11---hut it still stands Compared with a net asset value at a very large discount to the of 24p last September the underline at a set stands to the standard sta A SCORE & DIS

Sales hitch forces BL to make cuts at Aveling

#### BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

EMPLOYEES AT Aveling Barford, the construction equipment subsidiary which BL is trying to sell, have been told that action will have to be taken over the next few months further to reduce the level of overheads.

The first casualties will be among staff, as a result of Aveling Barford's intention to close its small divisional office

seas. As yet, however, no front ing sellers of smaller com-runner has emerged. panies, while the offers for sale There has been talk in the industry that the price BL is asking for Aveling Barford, at around £35m, is too high, while BL's preferred course of sell-

Ing the group as a whole rather than splitting it up is making a sale more difficult BL's policy on Aveling Bar-ford contrasts who that of Ford, more difficult if it decides to in Melton Mowbray, and to which put the Richler constru-merze Aveling Barford Interna-tion equipment group up for privately-owned Bray company. It is to the group holding sale in France, also in February, for example, has withdrawn its company. Continuing losses into Like Aveling Barford, Richler interest in Barfords of Belton. It is to the group holding the formation of the makes a wido range of equip- which makes dumpers, and ment for the construction indus- baving discussions with Richier try, but Ford appears to he about the possibility of huying try, but Ford appears to he quite willing to split the group a similar oneration in France. up and sell off its component J. C. Bamford bas been parts as long as this does not approached by the French The group was officially put Involve redundancies. Covernment 10 see if it would un for sale in February, and The industry is suffering be interested in huying part of discussions have been taking from severe lack of demand. Richier, but the company says The industry is suffering be interested in huying part of and price competition is it has had no direct contact cbasers from the UK and over- intense. There are many will- with Richier.

BY MAX WILKINSON THE National Enterprise Board is considering a further inject- Numerica. tion of cash into Alfred Herbert of these two quite large groups to expand its capability for 1978, due to be released in the making the electronic sections next few days, are expected to of numerically controlled show a substantial loss. At the -Richier employs 2,600-means that it is very much a

buyer's market. Aveling Bar-ford lost more than £6m last machine tools. At present Herbert imports the electronics for about half of year, and Richier's losses amounted to FFr 46m (£5m).

Alfred Herbert may get more NEB aid

# German joint venture, General

Affred Herbert's results for half-way stage, Mr. Walter Lees managing director. said that the group's losses were caused by

its numerically controlled machines. The other ball is sup-plied by its own subsidiary, Alfred Herbert Numerical the Edgwick plant, and that without this plant it would have a profit of £1.25m, after interest, in 1978.

Auditors to be banned

from stake in clients

would agree to put up any eash. When the original Meriden motor-cycle co-operative was set up late in 1974. at the same time as KME, the unions were asked for financial support. The unions considered of EMS.

the first quarter of this year Increases the likellhood of further redundancies in the grmip'a -3.500-strong workforce, unless BL concludes a sale fairly quickly.

prospective purplace with

several million pounds

Numerical Controls has been under successful in making the hlack machine-tool aid scheme, boxes which control automatic About half of the aid machines vigorously with imports

BY MICHAEL LAFFERTY

received a £5.7m loan under the The argument for further in- NEB's stockpiling scheme, and vestment is that Alfred Herhert has been offered £4.2m in grants NEB's stockpiling scheme, and the Government's About half of the aid scheme

and could be money has been allocated expanded to compete more towards product development, an dmost of the new machine mainly from General Electric of tools which are planned will be

America and the Japanese- numerically controlled.

central rates against the weakest currency in the EMS. The effect of this adjustment is to reduce the rise of the ECU. against the Belgian franc, by last Friday, from 1.62 per cent to about 1.25 per cent. Since the divergence indicator for the

exceeds 21 per cent above their

underlying net asset value generally reckoned to be around currently. f20. North. Sea Assets, unlied : Ivory and Sime's hope is that they will get a full stock exchange listing for NSA shares

**Brown Boveri Kent** 

does not have many NCNR. quoted investments, so part unitisation seems an unlikely solution. But it does have some over the next few months and cash and even if it is not then he allowed to transform feasible to liquidate it into an investment trust over. immediately, many shareholders time. But NSA is a difficult would at least like some of animal to analyse and its record their original stake money back. so far has been uninspiring. So The hest solution would he an a stock market listing is by no outside hid but the problem is means a foregone conclusion. that no one really knows what Even if the company gets its NSA is worth.

Year to

1978

£'000

81,117

8,609

7,444

4,832

9.47p

1.00p

1,200

53.21p

"I.s. is for and publisher

December 31

and damies

Year to

1977

£'800

68,848

7,604

6.308

3,853

8.38p

.**0.76**p

1.00p

49.26p

**Alamazes** 

THE CHANGES

December 31

NSA ----

223

# **U.S. teamsters' strike leading** to car industry shutdown

#### BY JOHN WYLES IN NEW YORK

the U.S. haulage industry moved into its second week on Sunday, with little progress made towards a settlement and with the steady paralysis of the Since 1937, the industry's motor industry expected to be complete within the next week pay rates have been regulated by the Interstate Commerce

The Teamsters' Union and the hauliers broke off talks on Friday. As ever, details were hard to come hy, but the broad conclusion still appears valid that a settlement could he reached fairly swiftly If the Administration proves ready to over three years. bend its pay restraint guide-lines even further.

Representatives of the 500

THE EXTENSIVE shutdown of major haulage companies em- per cent through the payment ploying the 300,000 truck of cost of living increases twice drivers and warehousemen are a year, instead of once a year stressing that the final word as under the contract which must lic with the Government, expired oo March 31.

The Administration is not yet disposed to allow this, and is still weighing the possibility of seeking a court-ordered return Commission, and the furthest to work by the lorry drivers through a Taft-Hartley injuncthe Carter Administration has to go is a package of proposals worth "more than 30 per cent" tion. The present shutdown has beeo achieved by a combination sclective strikes and liatory lock-outs by of

retaliatory This is obviously more generous than the 22 per cent employers. But its effects are not yet serious enough to pose which a strict interpretation of the guidelines would have allowed. But the Teamsters are the threat to national health and welfare which would be needed looking for at least another 2 to justify an injunction.

Mr

tion

50p.

AUDITORS are to be hanned They come down firmly from holding shares in public against any beneficial sharecompany clicots under new holdings by auditors and draw ; guidelices to be issued by the accountancy bodies this week. distinction for trustee holdings hetween public and private com-panies. In the case of public The new rules are also intended to prohibit auditors from holdcompanies, auditors may not ing major blocks of shares as trustees and they will demand hare trustee holdings greater than 10 per cent of a company's disclusure of this fact in all capital or 10 per cent of a trust's other circumstances. assets. The move is a direct response

Holdings by trustees below this limit will have to be disto Government pressure, following cootroversies surrounding auditors in a number of public closed either in the directors' or cases in the past three years. auditors' reports - as will The guidelines are contained trustee holdings in all private in a statement on independence companies, regardless of size. In which will replace existing other words, there is no han on sections of the Institute of Chartered Accountants' ethical

Continued from Dage

rules.

legislation, especially on the immunity of unions taking leader, launched his election campaign with a demand that the tax load must be reduced secondary or sympathetic indusdrastically in the next Parliament in order to encourage personal ioitiative.

He told the National Federain "I of Self-Employed

Bournemouth yesterday: "I would like to see a major switch from taxes on income lo taxes on spending, with the basic rate reduced to 20p in campaign.

the pound and the lop rate to legal restrictions on The latest opinion polls make depressing reading for Labour workers' freedoms and are certain to campaign on that at the start of the campaign. Dasis.

averaging out at a Conservative campaign may force the Conlead of 13 per cent. The worst news for Mr. Callaghan came in perature of their own attack. a poll conducted for The Observer by Research Services which gave the Tories a massive lead least until the election is won. to offer the Conservatives any of 21 per cent - the largest ever recorded for one of the leading parties during a cam-

ke to huild on the TUC idustrial relationa code inuded in the so-called "Conordat " but have been lold that iey would have to start from ratch with the TUC.

Much of what the Conervatives plan-for instance, in restricting picketing both in extent and in numbers---will taking depend on the outcome of trials or appeals still pending in the courts.

Some of the main Tory aims have already been achieved in recent appeal court decisions hy Lord Denning which bave interpreted Labour's reformulation of trade union immonity.

On some questions, such as the voluntary elimination of believe they have already won the co-operation of the unions. For instance, Mr. Alan Fisher

Conservative MPs and found Union leaders will refuse, at litte in their ideas to complain

But he, like other union reform of union affairs. about the other parts of the The T-rice of they win would Tory package,

auditors acting as trustees for **PROFIT BEFORE TAXATION** shares in private companies, providing the fact is disclosed. PROFIT AFTER TAX AND MINORITIES **EARNINGS PER SHARE DIVIDENDS PER SHARE:** JC

PAID-INTERIM PROPOSED-FINAL **NET ASSETS PER SHARE** \* Sales and pre-tax profits both rose by 18%.

TURNOVER

**TRAOING PROFIT** 

\* As envisaged at the time of the rights issue last May the Board is

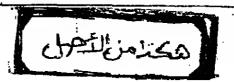
- recommending a final dividend of 1.20p per shate, making a total of 2.20p for the year. \* Whilst the Company's sound financial and international position
- enable the Board to look to the longer-term with confidence, it will be difficult, in the short-term, to maintain the growth in sales and profits achieved in recent years.

Brown Boveri Kent Limited (54.5% owned by BBC Brown Boveri of Switzarland) is the parent company of George Kent Limited, the international group in process control, industrial instruments and liquid metering.

#### Annual Report

The Report and Accounts for 1978 will be published on April 30, 1979 and copies will be available from The Secretary.

Brown Boveri Kent Limited, Biscot Road, Luton, Bedfordshire, LU3 TAL



Weather		Contin
UK TODAY RAIN in most areas, bright Intervals in N. England. Mainly	N. Ireland Occasional raio, perhaps hright periods, Max, 9C (43F).	Ca
dry in Scotland.	Borders, Edinburgh, Dundee,	ing to
London, S. England,	Aberdeen, Glasgow.	enable of
Channel Isles	Ceot. Highlands, Moray, Argyil.	buy thei
Cloudy, rain at times. Max.	N.W. Scotland	suhject
10C (50F).	Mainly dry, bright periods.	at 33 pe
E. Anglia, Midlands, S. Wales	Max. SC (46F).	occupati

Mainly dry, bright periods. Max. SC (46F). Rain later, Max, 10C (50F). N.E. Scotland, Orkney, Sbetland bright periods.

Mainly dry, Max. 6C (43F). E., Cent., N. and N.E. England Occasional rain, perhapa bright periods. Max. 8C (46F). Outlook: Rain in N. and E Wales, N.W. England, Lakes, sunny intervals later with beavy L of Man, S.W. Scotland, showers

**WORLDWIDE TEMPERATURES** . . ridday Paris \*C \*F Perch Preque 27 Bt Reykjvk. 15 59 Rhodes 15 59 Rio J'o 8 46 Rome 9 49 Satura midday C°FI Cape T. Chicago Cologne 41 545744465746463444774474537 Ajaccie Algiers Amsdm 577-553 Conta Corta Nublin Notvnk Ednogh Faro Florence Pims 37 Lisben Lecarno 10 17 575.4344 Athans Sahrain Londen Luxmbg. Salzbrg. Singapr Sickhm. 31 15 tő 32 14 18 19 Barcina Luxor Madrid Berrut Belfasi 68 i Florence 41 i Frankli. 46 i Funchal 46 i Geneve 68 i Geneve 68 i Gibster. 43 Gibster. 43 Gibster. 44 G'mäsev 61 i Helsinki. 48 i nistrk. 52 invmss: 48 i nistrk. 52 invmss: 48 i nistrk. Madrid Mejorca Malaga M'chsir. Molbne. Mulan Munich Nairobi Naplas Nycsil. N. York Nyck Stasby Suasby Sydney Tehren Tel Avin Tonenie Black pl. Tokyo Toronto Tunis Valencis Venico Vienna Borda, Bouign, Brislái Brussol Warsa Nice 15 13 10 24 -Cloudy. F—Fair. Fg—Fog. R—Rain. 5-Sunny, Si-Sleet, Sn

nued from Page 1	
Inter Hom rage I Townson and	ΓY
allaghan Tories and Legislative niceties in consulta	LL
Mr. Heseltinc, would another OC who is one of Mu	
o Mr. Heseltinc, would another QC who is one of Mr council bouse teoants to Prior's two deputies.	
	co sth
t to a discouol starting propose to re-establish the lega per cent for three years position of 1974 when the	
tion and rising to 50 per   secured several crucial amend	
David Steel. Liberal ments to Labour's renealin	

trial action, and nn the rights of closed shop "casualties" to seek statutory redress. Mr. Prior and his team,

although more hawkish now lhan they were hefore the winter of strikes, do not expect that the party will be aggressivly anti-union during the

TUC leaders remain convinced that the Tories want strikes in the emergency ser-severe legal restrictions on vices. Conservative leaders

The TUC response during the of the National Union of Public Employees, has debaled the servatives to raise the tem- strike-elimination issue with